

Austin Energy Utility Oversight Committee Meeting Transcript – 06/19/2017

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[9:34:30 AM]

[Pool]

Morning everybody. I just want to acknowledge that ya'll are here. We have 4, 5 Council members and we might go ahead and get started and hold any action items until we get a quorum. We do have three Council members. Can we have someone flip on there we go.

Go morning everybody. I'm

Leslie Pool and I am the chair of the Austin Energy Utility

Oversight Committee meeting.

It is Monday June 19th, 2017.

Just a little past 9:30 a.m. It looks like 9:35 a.m. in the morning. We have all most a quorum and we will get started but we will hold off on any action items until we have a quorum. We do have three Council members already. Notice won't be here and one running late. Those who won't be here are: Troxclair, Kitchen, and the Mayor Pro Tem. I understand Council member Renteria is on his way.

So we will hold off on the meeting notes. We will move right into it...

Is there a Todd Davy in the room? Todd why don't you come up and be the first. I understand you have a flight

to catch? Would this help you if you went first? Well come on down. Grab a chair. I understand the microphones are a little hard to turn on.

So just push the little red button. Some times you can't see it. Then it goes. Welcome. You have three minutes.

(speaker)

[9:36:45 AM]

Ok. Thank you. Good morning. My name is Todd Davy. I am

On behalf of C-Care and also and participated as a member of the working group. That created the recommendations. That are on the agenda here today. I want to thank you for the opportunity to participate in the process. I actually was very please to see that of this working group. We worked for about 7 months. To come to concesus with a diverse set of interest of the community. Throughout that process team to discuss the different purspectives and voted to approve the plan and the different sections and as well as the total meeting. As a result it was rather disappointing for me to see that. There is some kind of a outside campaign who come in and discuss that some goals that wee beyond what the working group recommended. Some of those participants were participating in the Working Group and also approved and voted the document you see in front of you today in it's entirety. I think this plan is a good plan. Taking into account the affordability goals of the community as well as increasing the renewable goals from the 55% to the 65% as well as plans for retiring Fayette and Decker. This is an

Aggressive road map and it provides Austin Energy the flexibility and management

The cost associated with retirements as well as the renewable adjectives with affordability. One of the points I would like to recommend. The Council to be aware of Austin's renewable goal is really based on a higher standard than what other cities measure themselves on.

OTHER CITIES USE RENEWABLE ENERGY CREDITS OR REC'S TO OFFSET THEIR GENERATION OR TO CLAIM THIS THEY ARE 100% RENEWABLE.

AUSTIN ENERGY COULD MEET THE RENEWABLE GOALS WITH RECS AND THE AFFORDABILITY GOAL HERE THIS YEAR AT A VERY LOW COST.

HOWEVER, THE METRICS AT WHICH OUR ENVIRONMENTAL COMMUNITY MEASURES ITSELF IS IS A LITTLE BIT MORE AGGRESSIVE THAN WHERE OTHERS MEASURE THEMSELVES INTO HOW THEY REPORT.

THEY'RE INTERESTED IN CREATING MORE GENERATION, WHICH IS ADMIRABLE, HOWEVER THERE'S A TREMENDOUS COST ASSOCIATED WITH THAT.

AGAIN, I'D LIKE TO SAY THANK YOU FOR PARTICIPATING IN THIS AND I'D LIKE TO REQUEST THAT THE GROUP APPROVE THE RECOMMENDATIONS OF THE WORKING GROUP AS IS, AS WE ALL PUT SEVERAL MONTHS INTO IT AND CAME TO A CONSENSUS THAT REPRESENTS THE COMMUNITY.

>> Pool: THANKS, MR. DAVIE.

DID ANYBODY ELSE SIGN UP FOR CITIZENS COMMUNICATION?

I'M JUST NOW ABLE TO PULL UP THE LISTINGS.

HANG ON AND I'LL SEE WHAT ORDER PEOPLE SIGNED UP IN.

WHILE I'M GOING THAT, LOOKS LIKE WE'VE A QUORUM.

I'M MAKE A MOTION TO APPROVE THE MEETING NOTES FROM OUR APRIL 24TH MEETING, APRIL 24, 2017.

COUNCILMEMBER ALTER MAKES A MOTION.

THE MAYOR SECONDS.

ALL THOSE IN FAVOR?

IT LOOKS LIKE IT'S UNANIMOUS ON THE DAIS WITH KITCHEN, TOVO, RENTERIA AND CASAR OFF THE DAIS. SO THAT PASSES.

[9:38:30 AM]

I DID CALL IT TO ORDER, BUT DO YOU WANT ME TO CALL IT TO ORDER AGAIN.

YOU BET.

HAPPY TO DO THAT.

THANK YOU, COUNCILMEMBER GARZA, FOR THAT SUGGESTION.

I'LL GO BACK TO THIS LIST OF SPEAKERS AND CAROL WITZOSKI IS FIRST AND THEN PAUL ROBBINS AND STEVE MANN AND DAVE BEULAH.

LOOKS LIKE WE HAVE ROOM FOR FOUR PEOPLE TO COME SIT HERE, IF YOU WOULD LIKE.

YOU'RE SECOND ON THE LIST, PAUL.

I REALIZE THAT THAT WOULD BE SECOND, BUT WE TOOK TODD DAVEY OUT OF ORDER BECAUSE HE HAD A FLIGHT TO CATCH.

SO GOING BACK TO NUMBER 1, CAROL.>> GOOD MORNING, MADAM CHAIR, MR. MAYOR, COUNCILMEMBERS.

MY NAME IS CAROL, I AM WITH TEXAS ROSE RATEPAYERS ORGANIZATION TO SAVE ENERGY.

I SIGNED UP THIS MORNING TO GIVE YOU A FOLLOW UP ON A MAY 2nd MEMO WHICH YOU MAY RECALL FROM AUSTIN ENERGY THAT WAS ABOUT DISCONNECTION STATUS OF 22 MINUTE CUSTOMERS WHO WERE REGISTERED ON THE AUSTIN ENERGY SYSTEM.

AND WE HAD A MEETING WITH AUSTIN ENERGY STAFF ON JUNE 13TH, ME AND A COUPLE OF OTHER PEOPLE.

AND WE LEARNED THAT LIKE AT THIS POINT NO ONE IS IN DANGER OF BEING DISCONNECTED AT ALL.

22 CASES HAD BEEN AT LEAST TEMPORARILY RESOLVED.

GOING THROUGH THIS PROCESS IT WAS VERY DISCONCERTING TO ME TO SEE AN ANNOUNCEMENT OR EVEN LIKE THINKING ABOUT DISCONNECTING PEOPLE WHO HAVE BEEN DETERMINED TO BE MEDICALLY VULNERABLE.

SO IT'S A PROBLEM, BUT IT'S A PROBLEM EVERYWHERE.

I WORK FOR ABOUT THREE YEARS WITH AUSTIN ENERGY ON THE RULES CURRENTLY IN PLACE.

I'VE ALSO WORKED ON THE RULES THAT ARE IN EFFECT AT THE PUBLIC UTILITY COMMISSION.

AND ALL OF THESE RULES ALLOW FOR A UTILITY TO DISCONNECT A PERSON FOR NONPAYMENT, EVEN IF THEY ARE MEDICALLY VULNERABLE.

MY UNDERSTANDING THE WAY THE PRIVATE MARKET IS SET UP YOU HAVE SEPARATE COMPANIES PROVIDING DIFFERENT SERVICES SO YOU'VE GOT YOUR RETAILER AND THEN YOU HAVE THE DISTRIBUTION UTILITY.

WHAT HAPPENS IS THE RETAILER ISSUES THE DISCONNECTION NOTICE AND THEN IT GOES TO THE DISTRIBUTION UTILITY WHO IS A COMPLETELY SEPARATE ENTITY, AND MY UNDERSTANDING FROM WHAT I'M TOLD IS THE WAY THIS WORKS OUT IS THE RETAILER FORWARDS THE DISCONNECTION NOTICE AND THE DISTRIBUTION UTILITY SAYS NO WAY, WE'RE NOT DOING THAT.

THIS IS A CRITICAL CARE CUSTOMER.

SO LOOKING AT AUSTIN ENERGY BEING VERTICALLY INTEGRATED, IT'S JUST MY OPINION THAT I WOULD FEEL BETTER IF THERE WAS LIKE SOME REPORTING PROCESS ON THIS ON A REGULAR BASIS SO THERE WAS A LITTLE BIT OF OVERSIGHT FROM AN ENTITY OTHER THAN THE UTILITY ITSELF BECAUSE THEY SHOULDN'T BE MAKING THIS DECISION WITHOUT, YOU KNOW, SOME OVERSIGHT OR APPROVAL.

AND WE TOSSED THAT IDEA AROUND IN THE MEETING AND THE CITY MANAGER COULD RECEIVE A REPORT OR CITY COUNCIL, BUT THE REASON WHY I'M HERE TODAY IS I WOULD LIKE TO BRING THIS TO

YOUR ATTENTION AND SUGGEST THAT YOU PLACE THIS ON ONE OF YOUR FUTURE AGENDAS SO THAT IT CAN BE DISCUSSED AND MAYBE WE CAN WORK SOMETHING OUT WHERE WE KNOW THAT THERE'S ALWAYS SOMEONE LOOKING OVER SOMEONE'S SHOULDER ON THIS PARTICULAR ISSUE.

AND THAT CONCLUDES MY COMMENTS.

>> Pool: THANK YOU SO MUCH.

PAUL ROBBINS?

GOOD MORNING.

YOU.

>> HERE'S A 4700 SQUARE FOOT MANSION ON A FULL ACRE IN RIVER PLACE, ALSO ON SALE FOR \$1.4 MILLION.

IT HAS A POOL, GOURMET KITCHEN, WIRED MEDIA ROOM AND THREE CAR GARAGE.

COUNCIL, YOU NEED TO STOP THIS BYPASSING A TARIFF TO THE INCOME QUALIFIED CUSTOMERS WITH HIGH REAL ESTATE ASSETS AS SOON AS POSSIBLE.

YOU HAVE ALREADY BUDGETED THE MONEY.

IF YOU DO NOT TAKE ACTION, DO NOT COMPLAIN WHEN YOU RUN SHORT OF MONEY FOR SOCIAL SERVICES IN THIS NEXT BUDGET CYCLE.

THE PROBLEM HAS LITERALLY BEEN GOING ON FOR YEARS AND YOU CAN PUT A STOP TO IT.

THANK YOU.

>> Pool: THANKS, PAUL.

[9:40:45 AM]

>> CAN YOU PLEASE SEND A COPY OF YOUR PRESENTATION.

>> Pool: PAUL, GO AHEAD AND SEND IT TO EVERYBODY.

THANKS.

APPRECIATE IT.

STEVEN MANN, YOU ARE NEXT.

YOU CAN TALK FROM THERE.

THAT'S ALL RIGHT.

THEY ALL WORK.

YOU JUST HAVE TO PUSH THE BUTTON.

YEP, IT'S ON.

THANKS.

WELCOME, STEVEN.

>> THANK YOU.

THANKS FOR ALLOWING ME TO SPEAK.

I'M A CONCERNED CITIZEN AND I HAVE SOME VERY REAL CONCERNS [INAUDIBLE].

MAINLY CONCERNING WATER USE.

AND I BRING THAT UP BECAUSE DURING THE LAST WE HAD A SERIOUS DROUGHT IN 2012 AND 2013 AND WE HAD A SERIOUS DROUGHT IN THE 50S WHICH IS WHAT WE BASE OUR SCENARIOS ON.

AND THERE WAS ALSO A DROUGHT IN THE 30S.

THESE DROUGHTS REQUIRE A GREATER ELECTRICITY DEMAND AND INCREASED WATER DEMAND AND THEY LOWER OUR RESERVOIRS.

THEY CREATE POTENTIALLY CRISIS SITUATION, BUT RENEWABLE ENERGY DOESN'T USE ANY WATER.

USE NO WATER WIND AND SOLAR USE FOR WATER.

AND DURING THE LAST DROUGHT AS MUCH WATER AS COULD BE USED BY THE CITY OF WACO WAS SAVED BY USING WIND.

SO THIS IS A CRITICAL ISSUE WHICH COULD GET MUCH MORE CRITICAL BECAUSE SCIENCE HAS SHOWN US FROM TREE RING DATA THAT EVERY SINGLE OVER THE LAST FIVE CENTURIES, GOING BACK TO THE 15TH CENTURY, THERE'S BEEN A MAJOR, AT LEAST DECADE LONG DROUGHT IN THIS AREA.

DECADE LONG DROUGHT.

[9:42:30 AM]

IF YOU CAN IMAGINE WHAT THAT WOULD DO HERE WITH OUR WATER SITUATION.

SO RENEWABLES I FEEL ARE CRITICAL TO ADDRESS THAT SITUATION SO I'M REALLY, REALLY WANTING AND HOPING THAT AUSTIN WILL PUSH TO GET 100 PERCENT RENEWABLE ENERGY BY 2030 AND I'M HOPING THAT MAYBE WE CAN PUSH FOR 75% FOR 2027.

IT'S AGGRESSIVE, BUT WE NEED THAT IF WE WANT TO MAKE IT TO 2030, 100% RENEWABLE.

SO THAT'S BASICALLY WHAT I HAVE TO SAY.

>> Pool: GREAT.

THANK YOU SO MUCH FOR BEING HERE AND FOR YOURSELF.

DALE BEULAH.

WELCOME, DALE.

YOU HAVE THREE MINUTES.

>> MY NAME IS DALE BEULAH AND I WANTED TO TALK IN GENERAL ABOUT WHAT YOU WILL BE DISCUSSING TODAY.

THERE IS EFFORT TO FULFILL AMERICA'S PLEDGE TO THE PARIS CLIMATE AGREEMENT DESPITE THE U.S. DECISION TO ABANDON THIS EFFORT.

WASHINGTON STATE, CONNECTICUT, DELAWARE, HAWAII, MASSACHUSETTS, MINNESOTA, OREGON, RHODE ISLAND, VERMONT, VIRGINIA AND PUERTO RICO HAVE SIGNED THE U.S. CLIMATE COALITION WHICH INCLUDES STATE GOVERNMENTS REPRESENTING 36% OF THE WHOLE COUNTRY'S GDP.

THEY ARE COMMIT TO GO A CONCRETE GOAL CUTTING THEIR EMISSIONS 22% IN THE NEXT THREE YEARS, BY 2020.

AS THE U.S. HAD ORIGINALLY PLEDGED TO DO IN PARIS. SO MEETING OR EXCEEDING THE TARGETS OF THE CLEAN POWER PLANT DESPITE THE FACT THAT THE ADMINISTRATION HAS ANNOUNCED IT WILL ROLL BACK THESE RULES.

CLIMATE MAYORS, INCLUDING OUR OWN MAYOR ADLER, REPRESENTED 64 MILLION AMERICANS IN RED AND BLUE STATES AND THEY ARE WORKING TOGETHER TO STRENGTHEN LOCAL EFFORTS TO REDUCE GREENHOUSE GAS EMISSIONS.

IN JANUARY THE 30TH, CLIMATE MAYORS ISSUED AN ELECTRIC VEHICLE RFI TO SHOW AUTOMAKERS AND MANUFACTURERS THAT 140,000 OF THE CITY'S CARS AND TRUCKS ARE READY TO BE ELECTRIFIED.

SO WILL WE ADOPT, HONOR AND UP HOLD THE COMMITMENTS TO THE PARIS AGREEMENT IS THE QUESTION?

WILL WE INTENSIFY OUR EFFORTS TO MEET THE CITY'S CLIMATE GOALS SOONER AND WORK TO CREATE A 21st CENTURY OF CLEAN ENERGY.

WILL WE INCREASE OUR EFFORTS TO CUT GREENHOUSE GAS EMISSIONS AND STAND FOR ENVIRONMENTAL JUSTICE AND WILL WE CONTINUE TO LEAD?

THOSE ARE THE QUESTIONS YOU WILL BE FACING TODAY.

AND IF THE ADMINISTRATION BREAKS PROMISES MADE TO OUR ALLIES IN THE HISTORIC PARIS AGREEMENT WILL WE STRENGTHEN FROM DEVASTATING CLIMATE RISKS.

THE WORLD CANNOT WAIT AND NEITHER SHOULD WE BECAUSE THERE IS NO PLANET P.

THANK YOU FOR YOUR TIME THIS MORNING.

[9:44:50 AM]

>> Pool: AND THE LAST SPEAKER IS GUS PENA.

IS GUS HERE?

OKAY, THANK YOU.

EVERYBODY.

MOVING ON TO NUMBER THREE, THE GENERAL MANAGER'S REPORT.

AND I UNDERSTAND THAT ELENA BALL WILL BE HANDLING THIS?

DID SHE STEP AWAY?

I KNOW GENERAL MANAGER SERGEANT IS AWAY AT A CONFERENCE.

OKAY.

WE'RE MOVING ON TO THE GENERAL MANAGER'S REPORT.

GOOD MORNING, MS. BALL.>> GOOD MORNING.

I WANT TO START BY PROVIDING A QUICK OVERVIEW OF SOME ITEMS THAT ARE GOING TO BE COMING BEFORE THIS BODY AND BEFORE COUNCIL.

I'LL START FIRST WITH THE KINGSBURY.

WE HAVE A SOLAR PROJECT THAT WILL BE CONSTRUCTED ACROSS THE SUMMER.

AUSTIN ENERGY AND THE POWER DEVELOPER POWER FIN HAVE BEEN WORKING SINCE 2013 ON THIS PROJECT.

SUBSCRIBERS CAN LOCK IN A COMMUNITY SOLAR ADJUSTMENT RATE ON THEIR BILL AND THIS WILL REPLACE THE POWER SUPPLY ADJUSTMENT VECTOR.

SORRY, I SPRINTED IN HERE.

NEXT YOU WANT I WANTED TO PROVIDE AN UPDATE ON DOWNTOWN INFRASTRUCTURE NEEDS.

OUR DOWNTOWN AREA IS EXPERIENCING SIGNIFICANT GROWTH.

WE ARE PROJECTIONS SHOWED THAT THIS INCREASED LOAD GROWTH IN THE DOWNTOWN NETWORK REQUIRES THAT WE INVEST IN ADDITIONAL DISTRIBUTION CAPACITY AND REDUNDANCY TO SUPPORT RELIABILITY AND GROWTH.

AUSTIN ENERGY WILL BE BRINGING FORWARD A SERIES OF CONSIDERATIONS, THE LARGEST OF THESE PROJECTS WILL BE ADDING A THIRD SUBSTATION TO THE DOWNTOWN AREA.

WE'RE BEGINNING TO MEET WITH STAKEHOLDERS AND PLAN TO BRING MORE INFORMATION BACK TO THE EOC IN OCTOBER.

NEXT UP I WOULD LIKE TO BRIEF YOU ON PROGRESS MADE IN THE RATE ADOPTION.

AS YOU RECALL THERE WAS AN EXTENSIVE LIST OF AMENDMENTS INCLUDING A JOINT AMENDMENT ON ELECTRIC RATES.

MAYBE OF THE PROGRAMMATIC TOPICS HAVE ALREADY BEEN IMPLEMENTED, INCLUDING CHOOSE OUR OWN DUE DATE, LATE FEE WAIVERS FOR CAP PARTICIPANTS, COMMERCIAL VALUE OF SOLAR AND INCLUSION OF STAKEHOLDER USE IN PROJECTS.

THERE ARE A NUMBER OF PROJECTS TO BE CONDUCT STUDIES TO BE CONDUCTED.

AS USUAL I WANT TO PROVIDE AN UPDATE ON THE NEW CHILLED WATER PLANT AT ACC.

WE ARE IN THE PROCESS OF NEGOTIATING AN INTERLOCAL AGREEMENT AND EXPECT TO BUILD A DEDICATED CHILLED WATER FACILITY FOR ACC.

ONCE COMPLETED THE CHILLED WATER FACILITY WILL PROVIDE THAT SERVICE TO ACC FOR APPROXIMATELY 30 YEARS.

WE'RE GOING TO BE JOINTLY INVESTING AND SHARING IN THE CAPITAL COSTS.

ADDITIONALLY WE WILL BE ADDING A FOUR IT MEGAWATT THERMAL STORAGE TANK WHICH WILL GO TOWARDS OUR STORAGE GOALS.

[9:46:30 AM]

ANOTHER ITEM I WANTED TO PROVIDE AN UPDATE TO IS RELATED TO THE RATE CASE, WHICH IS THE FAYETTE POWER PROJECT.

AS YOU ALL REMEMBER, WE WERE AS PART OF THE RATE CASE SETTLEMENT DIRECTED TO COME BACK TO COUNCIL WITH OPTIONS.

WE PRESENTED SOME OPTIONS IN JANUARY IN EXECUTIVE SESSION.

LAST WEEK A PREFERRED PATH WAS PRESENTED TO COUNCIL IN EXECUTIVE SESSION.

WE ANTICIPATE CONTINUING THESE DISCUSSIONS OVER THE COMING MONTHS AND WILL PRESENT INFORMATION AS IT DEVELOPS.

ANOTHER ITEM I'D LIKE TO SHARE IS WILDLIFE MANAGEMENT.

AS YOU ALL MAY BE AWARE, WE RECEIVED RECENT QUESTIONS AND CONCERNS FROM THE TRAVIS AUDUBON GROUP RELATED TO WILDLIFE MANAGEMENT SPECIFIC TO MONK PARAKEETS.

IN THAT DISCUSSION WE WORKED TOGETHER TO COME UP WITH A JOINT STATEMENT AND ULTIMATELY SET UP SOME APPROACHES WHERE WE CAN MANAGE THESE LAST NESTS THAT THESE PARAKEETS BUILD IN A WAY THAT MANAGES OUR SYSTEM SAFELY AND RELIABLY.

I REALLY APPRECIATE TRAVIS AUDUBON FOR PROVIDING IDEAS AND SUPPORT AND WE CONTINUE TO LOOK AT CHANGES TO MAINTENANCE PRACTICES AS WELL AS CREATIVE WAYS THAT WE MAY BE ABLE TO DESIGN OUR INFRASTRUCTURE TO ELIMINATE THE RISK, THE FIRE RISK THAT THESE LARGE NESTS POSE.

ALSO WOULD LIKE TO SHARE THE SCIENCE FESTIVAL RESULTS.

AS YOU ALL KNOW WE HOST ONE OF THE REGION'S LARGEST SCIENCE FESTIVALS.

WE SENT EIGHT STUDENTS TO THE INTERNATIONAL INTEL SCIENCE AND ENGINEERING FAIR THAT WAS IN THE MIDDLE OF MAY.

INTEL IS THE WORLD'S LARGEST PRECOLLEGIATE SCIENCE FAIR.

THERE'S ALMOST 1800 STUDENTS FROM 79 COUNTRIES THAT PRESENTED.

IN ALL FIVE OF OUR CENTRAL TEXAS STUDENTS WON A COMBINED SEVEN AWARDS, INCLUDING MONETARY PRIZES OF 1500 AND \$3,000, AS WELL AS SCHOLARSHIPS TO DREXEL UNIVERSITY AND THE UNIVERSITY OF OKLAHOMA.

AND LASTLY WANTED TO SHARE THAT YOU WILL BE SEEING A SERIES OF RCA'S RELATED TO ENERGY REBATES.

SO YOU KNOW, THIS PERIOD OF TIME SORT OF IN THE MIDDLE OF THE YEAR WHEN WE START SEEING OUR SUMMER PEAK SEASON, YOU WILL SEE AN UPTICK IN OUR ENERGY EFFICIENCY REBATING ACTIVITIES.

TYPICALLY WE SEE 60 TO 70% OF OUR REBATES THAT ARE PICKED UP AROUND THIS TIME.

AND SO IF YOU ALL HAVE ANY QUESTIONS ABOUT THOSE ITEMS, I CERTAINLY CAN ENTERTAIN THEM.

[9:48:45 AM]

BUT IF THERE ARE NOT, I'D LIKE TO GO AHEAD AND TRANSITION TOWARD THE RESOURCE PLAN UPDATE ITEM.

>> Pool: OKAY.

LET'S SEE, WE HAVE COUNCILMEMBER HOUSTON HAS A QUESTION FOR YOU.

>> Houston: THANK YOU VERY MUCH.

CAN YOU GIVE ME MORE INFORMATION ON THE CHOOSE YOUR OWN DATE?

>> YES, MA'AM.

I'M LOOKING TO SEE IF ELAINE IS HERE.

I BELIEVE WE'VE STARTED WITH A SPECIFIC POPULATION.

WE'RE LOOKING AT FOLKS WHO I BELIEVE ARE RETIRED AND HAVE LIKE 65 AND OLDER.

WE DO ANTICIPATE ROLLING THAT OUT TO THE ENTIRE AUSTIN ENERGY POPULATION OVER TIME.

BUT IT DOES MY UNDERSTANDING IS THIS INITIAL PILOT THAT WE PERFORMED WAS MANUAL IN NATURE SO THEY'RE WORKING ON MAKING IT PROGRAMMATIC IN OUR SYSTEM SO PEOPLE CAN CHOOSE THEIR OWN DATE.

>> Houston: SO THE PEOPLE IS FOR PEOPLE WHO WERE 65 AND OLDER?

>> I BELIEVE SO.

YES, MA'AM.

>> Houston: AND HOW LARGE IS THE PILOT SAMPLE?

>> IT WAS A FEW HUNDRED, I BELIEVE.

WE CAN GET YOU THE SPECIFIC DETAILS ON THE PILOT.

>> Houston: WOULD YOU DO THAT, PLEASE?

[9:50:30 AM]

>> I CAN DO THAT.

>> Pool: ANY OTHER QUESTIONS ON THE MANAGER'S REPORT?

SEEING NONE, HE'LL TRANSITION RIGHT INTO ITEM NUMBER 4.

AND AS WE MOVE INTO THAT, WHICH IS THE AUSTIN ENERGY RESOURCE GENERATION AND CLIMATE PROTECTION PLAN UPDATE, WE HAVE A NUMBER OF PEOPLE SIGNED UP TO SPEAK.

AND SO COUNCIL, WHAT I'D LIKE TO DO IS SEE HOW YOU WANT TO HANDLE THAT.

WE'LL HAVE MS. BALL MAKE HER PRESENTATION.

I HAVE AT LEAST 33 PEOPLE LET ME REFRESH THIS.

I'D LIKE YOU ALL TO TELL ME HOW YOU WOULD LIKE TO HANDLE?

THREE MINUTES PER PERSON IS THE MAXIMUM AMOUNT.

OF COURSE WE CAN DO TWO MINUTES OR ONE MINUTE.

KNOW TOO THAT THIS IS A PRESENTATION IN ADVANCE OF WHAT I EXPECT WILL BE AGENDA ITEM AND PUBLIC HEARING FOR THIS PLAN ON OUR COUNCIL AGENDA PROBABLY IN AUGUST.

WE CAN TALK ABOUT THAT A LITTLE BIT LATER.

WE'LL LET HER MAKE APPREHENSION AND WE'LL DETERMINE YES, COUNCILMEMBER HOUSTON.

[9:52:45 AM]

>> Houston: I AM SO SORRY.

I HAD ONE QUESTION ON MONTHLY DASHBOARD.

ON THE EMPLOYMENT ENGAGEMENT, TOTAL NUMBER OF VACANCIES HARD TO FILL, THERE ARE A NUMBER OF POSITIONS, REGULAR POSITIONS 79.

CAN YOU GIVE ME AN EXAMPLE OF A HARD TO FILL POSITION AND THOSE THAT ARE REGULAR?

>> YES, MA'AM.

A HARD TO FILL POSITION WOULD BE ONE SUCH AS OUR POWER SYSTEM ENGINEERING FAMILY.

WE HAVE HAD TRADITIONALLY A CHALLENGE RECRUITING POWER SYSTEM ENGINEERS.

WE WILL A LOT OF TIMES HAVE TWO OR THREE ROUNDS OF RECRUITMENT, WHICH ELONGATES THE AMOUNT OF TIME IT TAKES TO FILL THAT POSITION WHEN A PERSON LEAVES.

THAT'S AN EXAMPLE OF ONE THAT IS PRETTY CONSISTENTLY HARD TO FILL.

>> Houston: EXAMPLES OF REGULAR POSITIONS.

>> YES, MA'AM.

REGULAR POSITION COULD BE, FOR EXAMPLE, OUR CALL CENTER REPRESENTATIVES.

WHILE WE DO HAVE SOME TURNOVER IN THAT AREA, WE DO HAVE A HIGH DEGREE OF SUCCESS IN RECRUITING INDIVIDUALS IN THOSE ROLES.

>> Houston: AND YOU HAVE ALL REACHED OUT TO OTHER UNIVERSITIES SUCH AS PRAIRIE VIEW A&M THAT HAVE THESE KINDS OF PROGRAMS TO SEE IF YOU COULD START A PIPELINE IN GROOMING PEOPLE TO BE ABLE TO FILL SOME OF THE HARD TO FILL POSITIONS.

>> YES, MA'AM.

I CAN'T SPEAK SPECIFICALLY TO PRAIRIE VIEW A&M.

I KNOW WE HAVE HIRED SOME FOLKS FROM THAT UNIVERSITY, BUT WE HAVE BUILT PIPELINES WITH OUR CRAFT POSITIONS AND ARE WORKING TO MORE ACTIVELY RECRUIT AT THOSE ENTRY LEVELS AND PROGRESS PEOPLE THROUGH THEIR CAREER.

WE'RE NO DIFFERENT THAN A LOT OF EMPLOYERS WHERE WE HAVE A WEST HANGER GROUP OF EMPLOYEES AND A MORE TENURED GROUP OF EMPLOYEES SO WE'RE TRYING TO HIRE SOME CAREER PROFESSIONALS AS WELL.

>> Houston: I THINK I'M ASKING FOR YOU ALL TO BE MORE INTENTIONAL ABOUT REACH OUTING TO HISTORIC BLACK COLLEGES AND UNIVERSITIES THAT HAVE THE KIND OF PIPELINE THAT COULD HELP FILL THE POSITIONS THAT YOU ARE HAVING DIFFICULTY FILLING.

BUT IF YOU'RE NOT REACHING OUT TO THEM IN AN INTENTIONAL WAY, THEN THEY'RE NOT AWARE OF WHAT THE OPPORTUNITIES ARE AND WHAT THEY NEED TO BE STUDYING.

SO THAT'S MY QUESTION.

[9:54:30 AM]

>> UNDERSTOOD.

WE CERTAINLY CAN REVIEW OUR RECRUITING PRACTICE AND MAKE SURE THAT WE'RE ROLLING IN THAT SUGGESTION.

YES, MA'AM.

>> Pool: ANYTHING ELSE?

GO AHEAD AND KICK US OFF ON ITEM NUMBER 4.

>> AS YOU ALL ARE AWARE, AUSTIN ENERGY CONDUCTS A VIEW IN ITS GENERATION RESOURCE PLANT EVERY TWO YEARS.

THIS UPDATE CYCLE WE HAD CUSTOMERS AND STAKEHOLDERS PERFORM A WORKING GROUP UPDATE.

THE WORKING GROUP RECOMMENDATIONS THAT ARE ABOUT TO BE PRESENTED ARE THE RESULTS OF SEVEN MONTHS OF TEAMWORK WHICH INVOLVE 13 PUBLIC MEETINGS.

THEY BROUGHT TOGETHER A REALLY WIDE VARIETY OF STAKEHOLDERS.

I'M SURE YOU ALL WILL HEAR FROM SOME OF THEM TODAY.

THE WORKING GROUP REPRESENTED A BROAD SECTION OF AE CUSTOMERS SIMILAR TO THE PARTIES THAT WERE INVOLVED IN LAST YEAR'S RATE REVIEW.

WE HAVE REPRESENTATION FROM ENVIRONMENTAL ADVOCATES, LOW INCOME CUSTOMERS, SMALL AND LARGE BUSINESSES.

OUR LARGEST INDUSTRIAL CUSTOMERS AND CITY COMMISSIONERS.

THESE RECOMMENDATIONS ARE SIGNIFICANT IN THAT THEY FURTHER THE SUSTAINABILITY GOALS OF OUR UTILITY WHILE RECOGNIZING THE VARIOUS FACTORS THAT AFFECT OUR GENERATION PORT FELLOW.

WHILE NO SINGLE GROUP RECEIVED OR GOT ALL OF THE THINGS THAT THEY WERE SEEKING IN THIS PROCESS, WE BELIEVE THAT WORKING TOGETHER THE GOALS REPRESENTED IN THESE REPRESENTATIONS WILL FURTHER AE'S LEADERSHIP POSITION WHILE CONTINUING TO PROVIDE SAFE, RELIABLE AND AFFORDABLE ENERGY.

I'D ALSO LIKE TO HIGHLIGHT THE ADDITIONAL OPPORTUNITIES THE PUBLIC HAS TO PROVIDE INPUT INTO THIS PROCESS.

THIS EVENING THERE WILL BE AN ELECTRIC UTILITY COMMISSION MEETING WHERE THIS ITEM WILL BE DISCUSSED AND TOMORROW THERE WILL BE ANOTHER OPPORTUNITY OF THE RESOURCE MANAGEMENT COMMITTEE.

AND THEN WE DO HAVE AN ITEM FOR COUNCIL, SO AN UPCOMING COUNCIL MEETING THERE WILL BE AN OPPORTUNITY FOR PUBLIC INPUT AS WELL.

SO I DID WANT TO SHARE THAT I BELIEVE THERE'S A LOT OF PARALLELS TO THE RATE CASE PROCESS. WHEN WE CAME OUT WITH OUR RATE CASE SETTLEMENT THERE WERE A LOT OF CONCESSIONS.

NO ONE REALLY GOT EVERYTHING THAT THEY WANTED, BUT EVERYONE GOT SOMETHING.

AND IT WAS REALLY I THINK A WELL DEFINED CONSENSUS PROCESS.

WE HAVE A SIMILAR SITUATION HERE.

AND I THINK, YOU KNOW, IF ADDITIONAL CHANGES ARE CONTEMPLATED, TO JUST BE THOUGHTFUL AND RESPECTFUL OF THAT PROCESS BECAUSE THERE WERE A LOT OF TEAM MEMBERS AND COMMUNITY MEMBERS THAT HAVE SPENT MORE THAN HALF A YEAR DEVELOPING ITS RECOMMENDATIONS.

SO NOW I'D LIKE TO TURN IT OVER TO KAREN HADEN, THE CHAIR OF THE UTILITY COMMISSION, AND SHALIL SHALAME.

GOOD MORNING.

[9:56:45 AM]

>> GOOD MORNING.

MY NAME IS KHALIL SHALAME, I AM THE VICE PRESIDENT OF STRATEGY, TECHNOLOGY AND MARKETS.

AND UNDER MY PURVIEW IS RESOURCE PLANNING, WHICH WE AS SHE SAID WE DO THIS EVERY COUPLE OF YEARS.

AND JOINING ME IS COMMISSIONER HADEN.

AND WE TALKED AHEAD OF TIME SO I'M GOING TO PRESENT THE PRESENTATION AND SHE'S GOING TO MAKE SOME ADDITIONAL COMMENTS TOWARDS THE END.

SO I'VE BEEN IN FRONT OF YOU WITH THIS PROCESS NOW.

I THINK THIS IS MY FOURTH TIME TALKING ABOUT THIS UPDATE.

AND MY OBJECTIVE TODAY REALLY IS JUST TO DETAIL OUT THE RECOMMENDATIONS THAT THE ELECTRIC UTILITY COMMISSION WORKING GROUP CAME UP WITH THAT WE'VE BEEN TALKING ABOUT HERE.

AND TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE ON THESE RECOMMENDATIONS.

THAT'S REALLY MY NUMBER ONE OBJECTIVE TODAY.

SO THIS IS AN UPDATE TO THE 2014 PLAN.

YOU HAVE SEEN THIS SLIDE BEFORE, BUT IT'S ALWAYS GOOD TO START FROM SORT OF WHERE WE'RE STARTING BECAUSE WE ARE MODIFYING THIS PLAN.

AND THE PLAN DETAILED OUT SEVERAL ITEMS AND I'LL JUST GO THROUGH THEM QUICKLY.

WE ARE TO ACHIEVE 55% RENEWABLE ENERGY AS A PERCENT OF OUR LOAD BY 2025.

AT THE END OF 2016 WE WERE AT 30%.

AND YEAR TO DATE WE ARE ABOUT 45%.

[9:58:30 AM]

THAT'S A LITTLE BIT HIGH.

THE REASON FOR THAT IS BECAUSE LOAD HAS BEEN LOW AND THE WIND HAS BEEN HIGH, SO WE'VE HAD A LOT OF WIND GENERATION.

SO AS A PERCENT OF LOAD, THAT NUMBER REALLY KIND OF CREPT UP.

WE EXPECT THE NUMBER TO GO DOWN THROUGH THE YEAR, BUT I THINK BY THE END OF 2017 WITH THE SOLAR PLANTS THAT ARE HAVE COME ONLINE WE SHOULD BE RIGHT AROUND THE 40% RANGE.

IF WE WERE TO ACHIEVE 900 MEGAWATTS OF DESIGN SIDE MANAGEMENT BY 2025.

WE'RE UP TO 575 MEGAWATTS.

THERE'S SOME CARVE OUTS IN THAT, 700 MEGAWATTS OF EFFICIENCY BY 2020 AND 100 MEGAWATTS OF DEMAND RESPONSE BY 2020 AND ADDITIONAL 100 MEGAWATTS OF RESPONSE BY 2025.

WE ARE AT ABOUT 54 MEGAWATTS RIGHT NOW.

IN AGGREGATE IF YOU LOOK AT UTILITY SCALE SOLAR AND LOCAL SOLAR, OUR GOAL FOR THE 2014 PLAN WAS TO ACHIEVE 950 MEGAWATTS OF SOLAR BY 2025.

ON THE LOCAL FRONT REALLY WHICH MEANS IT'S IN THE AREA IN THE CITY OF AUSTIN, PERHAPS IN TRAVIS COUNTY, WE DON'T HAVE A VERY GOOD DEFINITION RIGHT NOW OF WHAT LOCAL MEANS.

ONE OF THE THINGS WE HAVE TO WORK ON.

110 MEGAWATTS BY 2020 AND ADDITIONAL 110 MEGAWATTS BY 2020 IF AFFORDABLE.

WE ARE AT ABOUT 74 MEGAWATTS RIGHT NOW.

IN AGGREGATE, 750 MEGAWATTS OF UTILITY SCALE SOLAR BY 2025.

WE HAVE 275 MEGAWATTS OPERATIONAL AND WE HAVE 118 MEGAWATTS THAT WILL BE ON THAT TIMELINE NOW WE HAVE TO UPDATE THE SLIDE, CAME ONLINE IN APRIL, AND WE HAVE AN ADDITIONAL 320 MEGAWATTS AROUND CONTRACT.

I THINK MOST OF THIS WILL BE ONLINE BY 2019.

ADDITIONALLY WE HAVE AN RFP RIGHT NOW FOR AN ADDITIONAL 150 MEGAWATTS THAT IS COMMITTED TO BE ONLINE AS A PROJECT BY THE END OF 2019.

WE HAVE CO TWO EMISSION GOAL CURRENTLY ON THE BOOKS.

THIS CAME FROM THE RESOURCE PLAN PRIOR TO 2014.

ADDITIONAL LEVELS BY 2020.

[10:00:30 AM]

WE WERE TO BEGIN RETIREMENT OF FAYETTE IN 2023.

OF COURSE, ALL OF THIS IS SUBJECT TO AFFORDABILITY GOAL.

IN SIMPLE TERMS WE HAVE A TWO PERCENT LIMIT TO MEET AND THE RATES HAVE TO BE IN THE LOWER 50th PERCENTILE, SO WE'RE UNDER THE TWO PERCENT LIMIT RIGHT NOW.

IN THE LAST RATE CASE WE SAW THAT SOME CUSTOMERS WERE ABOVE THE 50th PERCENTILE THAT WE ARE NOW TRENDING LOWER WITH THE RATE CUTS THAT WE HAVE HAD IN THE RATE CASE.

AS FAR AS LOCAL STORAGE AND ADVANCED TECHNOLOGIES, WE COMMITTED TO 10 MEGAWATTS OF ELECTRICAL STORAGE BY 2025 AND 20 MEGAWATTS OF THERMAL STORAGE AND ALSO THERMAL STORAGE AND ALSO WE WERE GOING TO RETIRE DECKER BY 2019 AND REPLACE IT 500 MEGAWATTS EFFICIENT COMBINED CYCLE SUBJECT TO A THIRD PARTY STUDY, AND THAT STUDY IS COMPLETE.

SO LIKE ELENA SAID, WE COMMITTED TO UPDATE THIS PLAN EVERY TWO YEARS.

SO THIS TIME WHAT COUNCIL DID IS THEY FORMED A PLANNING WORKING GROUP.

THIS WAS LED BY THE EUCs.

THEY FORMED THE GROUP.

AS YOU SEE THERE WERE LOTS OF PEOPLE ON THE GROUP AND YOU'VE HEARD THIS DESCRIBED MANY TIMES TOO NOW AS A VERY DIVERSE STAKEHOLDER GROUP.

WE HAD FOUR COMMISSIONERS FROM THE EUC AND COMMISSIONER HADDEN WAS ALSO WHO IS A CHAIR OF THE EUC IS ALSO THE CHAIR OF THE WORKING GROUP.

BRENT, MICHAEL, CAREY.

FROM THE RMC WE ALSO HAD REPRESENTATION FROM LEO, CYRUS, KAIBA, SUZANNE.

WE HAD REPRESENTATIVE FROM TODD DAVEY AND BETTER DUNKERLEY.

AND OTHER COMMUNITY MEMBERS THAT WERE INTERESTED IN THE PROCESS, PAUL ROBBINS, BOB, JANE, WHO REPRESENTED LOW INCOME, SO DID BOB BATRAN AND ALSO CARLOS REBECCA AND RICHARD HALPIN FROM THE INTERFAITH ENERGY GROUP. SO WE DID MEET 14 TIMES OVER THE SPACE OF EIGHT MONTHS.

ALSO WE UPDATED THE EUC PRIOR TO UPDATING COUNCIL.

SO LIKE I SAID, THIS IS THE FOURTH TIME I'M HERE.

WE UPDATED EUC MANY TIMES AND WILL UPDATE TONIGHT AT THE EUC.

WE TRIED TO DO THE SAME THING AT RMC WHERE WE PRESENTED FOUR TIMES AND WE UPDATED COUNCIL.

THE DOCUMENT WAS VOTED ON UNANIMOUSLY AND ADDITIONALLY IN ORDER TO HELP THE PROCESS ALONG, WE CREATED A DEDICATED WEBSITE WHERE ALL THE MEETINGS, THE AGENDAS, ANY INFORMATION WAS POSTED ON THE WEBSITE.

SO VERY MUCH IN THE SPIRIT OF THE RATE PROCESS THAT WE HAD AND THAT WE CAME UP WITH.

I WOULD ALSO ADD THAT THE MEETINGS WERE PUBLIC AND WE HAD SPEAKERS AT THE MEETING.

SO IT KIND OF REFLECTED THE EUC WORKING GROUP.

MY THREE MINUTES ARE UP?

[10:02:45 AM]

[ALARM GOING OFF].

>> Pool: CAN SOMEBODY DO US A FAVOR AND SEE WHAT THAT IS?

OKAY.

IT'S A PHONE?

[LAUGHTER]

IT SOUNDED VERY OFFICIAL.

>> SO NOW I'M GOING TO DELVE INTO WHAT THE RECOMMENDATIONS WERE.

AS YOU'LL SEE IT WILL TOUCH ON MANY OF THE THINGS THAT I OUTLINED IN DETAIL ON THE 2014 PLAN.

SO THE RECOMMENDATIONS ARE REALLY THAT THE GROUP REALLY INSISTED ON PUTTING AFFORDABILITY RIGHT AT THE TOP.

AND AGAIN, IT'S THE TWO PERCENT PER YEAR AND BEING IN THE 50th PERCENTILE STATEWIDE FROM A RATE PERSPECTIVE.

AND THEN THE WORKING GROUP MADE RECOMMENDATIONS ON GENERATION, BOTH RENEWABLE AND THERMAL, LOCAL SOLAR IN PARTICULAR, ENERGY EFFICIENCY AND DEMAND RESPONSE.

AND THEN WE HAVE SOME PROCESS RECOMMENDATIONS AND WE HAD A RECOMMENDATION ON ELECTRIC VEHICLES.

SO GENERATION.

AS FAR AS RENEWABLE GENERATION WE COMMITTED TO 65% RENEWABLE ENERGY BY THE END OF 2027 AND TO STUDY THE POSSIBILITY OF ACHIEVING 75% AND 80% OF THE GOAL ALSO FOR 2027.

SO THAT'S AT 10% INCREMENTS OVER THE LAST GOAL OVER A TWO YEAR PERIOD.

AS FAR AS DECKER POWER PLANT, WE HAVE LANGUAGE THAT TARGETS CEASING OPERATIONS AND BEGINNING RETIREMENT OF THE DECKER STEAM UNITS, ASSUMING ERCOT APPROVAL.

[10:04:30 AM]

WE DID IT IN A STAGGERED FASHION REALLY TO MINIMIZE THE RISK THAT WE HAVE WITH TAKING SO MUCH GENERATION OFFLINE.

SO STEAM UNIT ONE COMES OFF AFTER THE SUMMER PEAK OF 2020 AND STEAM UNIT TWO COMES OFF AFTER THE SUMMER PEAK OF 2021.

THE REASON THIS IS DIFFERENT THAN THE 2014 PLAN IS THIS IS REALLY THE FIRST TIME THAT WE'RE LOOKING TO RETIRE THE DECKER PLANT WITHOUT CONTEMPLATING SPECIFICALLY REPLACEMENT FOR THE PLANT.

AS FAR AS THE FAYETTE COAL FIRED PLANT, WE KNOW THERE'S A PARALLEL PROCESS GOING ON RIGHT NOW FOR RETIRING THAT PLANT AND WE JUST AFFIRM THAT GOAL GOING FORWARD.

RECOMMENDATIONS FOR LOCAL SOLAR?

WE REAFFIRMED THE EXISTING GOALS, WHICH IS TO ACHIEVE 110 MEGAWATTS BY THE END OF 2020 AND 200 MEGAWATTS BY THE END OF 2025.

HOWEVER, ADDITIONALLY WE TRIED TO DO THIS WITH ENERGY EFFICIENCY TOO.

WE'RE LOOKING TO HAVE GOALS THAT ARE BUDGET BASED.

THE REASON FOR THAT IS IT MINIMIZES THE RISK TO THE UTILITY FROM A FINANCIAL PERSPECTIVE.

AT PRIORITY WE TRIED TO MATCH THE BUDGET WITH WHAT WE EXPECTED WE WOULD NEED IN ORDER TO MEET THE MEGAWATT GOAL, BUT AS YOU KNOW FOR LOCAL SOLAR WE HAVE SOME INFLUENCE, BUT NOT TOTAL CONTROL OVER CUSTOMER UP TAKE, ESPECIALLY WHEN IT COMES TO RESIDENTIAL SOLAR AND ROOFTOP SOLAR.

SO IF WE MOVE TO BUDGET BASED GOALS, WE KNOW WHAT TO BUDGET, WE KNOW WHAT WE'RE GOING TO SPEND AND THAT'S A LOWER RISK PROFILE FOR US AS OPPOSED TO TRYING TO DIAL UP AND DIAL DOWN INCENTIVES IN ORDER TO PREDICT WHAT THE CUSTOMER WOULD DO IN FIVE AND 10 YEARS.

ADDITIONALLY LOCAL SOLAR POLICIES AND PROGRAMS I'M SORRY, I DIDN'T DETAIL WHAT BUDGET GOALS WERE.

WE WERE TO COMMIT TO 7.5 MILLION PER YEAR FOR FY18 AND FY19 AND COMMIT TO FIVE MILLION PER YEAR THROUGH THE REST OF THE PLANNING HORIZON, WHICH IS 2027.

I THINK THAT INCREASES THE SOLAR BUDGET I WAS DOING THE MATH I THINK BY ABOUT 25 MILLION ROUGHLY OVER THAT 10 YEAR SPACE.

WE HAD ADDITIONAL LOCAL SOLAR POLICIES, COMMIT TO ENHANCED INCENTIVES OR PROGRAMS FOR AFFORDABLE HOUSING PROJECTS BY FY2017.

AND THEN STUDY FISCAL YEAR 2018.

AND STUDY AND POSSIBLE PILOT A UTILITY MANAGED ROOFTOP THAT REQUIRES NO INVESTMENT FROM THE CUSTOMER PARTICIPANTS.

THAT'S LIKE AN UPFRONT INVESTMENT.

[10:06:45 AM]

SO THAT'S LOCAL SOLAR.

MOVING ON TO ENERGY EFFICIENCY AND DEMAND RESPONSE, WE MAINTAIN THE EXISTING GOAL AND WE ALSO COMMIT TO 1,000 MEGAWATTS BY 2027.

AND THIS IS A LOT OF WORDS HERE, BUT WHAT WE ARE DOING IS WE ARE TRYING TO VERIFY OUR COMMITMENT AND OUR METHODOLOGY GOING FORWARD WHEN IT COMES TO ENERGY EFFICIENCY, SO WE'VE BEEN DOING ENERGY EFFICIENCY PROGRAMS FOR AWHILE, BUT WHAT WE HAVEN'T DONE IS DONE THE MANAGEMENT AND VERIFICATION OF WHAT WE'VE DONE.

SO ANY TIME YOU TAKE A CLOSE LOOK AT WHAT YOU'VE DONE AND YOU BRING IN A CONSULTANT TO DO THAT, THEY MAY FIND THAT THE NUMBERS THAT WE'VE PUT IN OR ARE LOOKING TO ACHIEVE AND THE METHODOLOGY MAY BE DIFFERENT THAN WHAT IT SHOULD BE.

SO THIS 1,000 MEGAWATTS IS REALLY SUBJECT TO THE STUDY OUTCOME GOING FORWARD.

THE AMOUNT OF DOLLARS SPENT, THE AMOUNT OF MEGAWATTS GOING IN, WOULD BE THE SAME.

IT'S JUST HOW WE COUNT THEM WOULD BE DIFFERENT.

AGAIN, CONTINUING WITH ENERGY EFFICIENCY AND DEMAND RESPONSE, YOU WILL SEE THAT THEME OR WE'RE LOOKING TO HAVE BUDGET GOALS FOR THESE PROGRAMS.

SO AUSTIN ENERGY WILL BUDGET AT LEAST TWO AND A HALF PERCENT GROSS REVENUES TO DEMAND SIDE MANAGEMENT AND AUSTIN ENERGY WILL WORK WITH STAKEHOLDERS TO MAKE FUTURE GOALS BUDGET BASED RATHER THAN MEGAWATT BASED AS HAS BEEN DONE IN THE PAST.

AND AT TWO AND A HALF PERCENT GROSS REVENUES IS REALLY IN THE TOP OF UTILITIES NATIONWIDE.

YOU WILL SEE ACTUALLY MOST UTILITIES IN TEXAS ARE ACTUALLY LESS THAN ONE PERCENT.

SOME UTILITIES ON THE NORTHEAST THAT DON'T HAVE A LOT OF REACH INTO RENEWABLE EFFICIENCY, ENERGY EFFICIENCY IS REALLY THEIR OWN TOOL, FOR EXAMPLE, IN CONNECTICUT, THEY'RE JUST IN THE FOUR PERCENT RANGE.

WE HAVE COMMIT TO ACHIEVING A TARGET AT LEAST ONE PERCENT SAVING AND COMMIT TO DIRECTING AT LEAST 15% OF DSM BUDGET TO EXISTING AND POTENTIAL PROGRAMS FOR LOW INCOME AND HARD TO REACH MARKETS IN THE MULTI FAMILY AND SINGLE FAMILY AREAS ALONG WITH SMALL BUSINESSES.

[10:08:30 AM]

NOW WE MOVE TO PROCESS RECOMMENDATIONS.

SO AS YOU KNOW, WE'VE BEEN DOING RESOURCE PLANNING EVERY COUPLE OF YEARS.

IT TAKES US ABOUT A YEAR TO DO IT.

SO WE END UP BEING ESSENTIALLY A PERPETUAL RESOURCE PLANNING ENVIRONMENT.

SO WE'RE LOOKING FOR SOME STABILITY WHERE WE HAVE GOALS AND HAVE SOME TIME TO ACHIEVE THE GOALS AND THEN COME REVISIT.

AND IT WILL HELP US WITH TECHNOLOGY, MARKET RULES, ALL THESE THINGS THAT CHANGE OVER TIME AND PRESENT RISK TO THE UTILITY.

SO THE RECOMMENDATION HERE IS TO CONDUCT RESOURCE PLAN UPDATES IN ADVANCE OF COST OF SERVICE STUDIES EVERY FIVE YEARS.

SO THE COST OF SERVICE THAT GIVES US A GOOD OPPORTUNITY WHERE WE'RE GOING TO LOOK AT WHAT THE COST TO THE UTILITIES ARE WITH COST TO GENERATE FOR OUR CUSTOMERS AND AS AN INPUT ON TO THAT COST OF SERVICE IT WOULD BE GOOD TO LOOK AT THE RESOURCE PLAN AND FIGURE OUT IF WE HAVE HAVE ANY NEW GOALS OR NEW COSTS GOING INTO THE NEW HORIZON.

AND THERE'S A CAVEAT, UNLESS SIGNIFICANT CHANGES IN EXISTING TECHNOLOGY WARRANT MORE FREQUENT UPDATES.

[10:10:45 AM]

SO IT WOULD BE PRUDENT FOR US TO LOOK AT IT EVERY TWO YEARS.

WE WILL RERUN THE COST ANALYSIS, WE HAVE THE COST SCENARIOS ALREADY, WE WOULD RERUN THEM AND LOOK AT THE RESULTS AND PROVIDE AN UPDATE ON PROGRESS IN A REPORT EVERY TWO YEARS TO THE ELECTRIC UTILITY COMMISSION, THE RESOURCE MANAGEMENT COMMISSION AND THEN TO CITY COUNCIL.

THE NEXT PROCESS RECOMMENDATION, THIS WAS REALLY SOMETHING THE GROUP WANTED PRETTY MUCH I HEARD UNANIMOUSLY.

THE PLAN DOES NOT DESIGNATE COMPONENTS OF THE RENEWABLE PORTFOLIO, INSTEAD AUSTIN ENERGY SHOULD HAVE LEAST COST AND LEAST RESOURCES OF ENERGY RESOURCES.

IT WILL MEET THIS PLAN'S GOALS AND THE UTILITY'S NEEDS GIVEN EXISTING GENERATION ASSETS, MARKET CONDITIONS AND THE NEEDS FOR THE UTILITY.

SO WHAT THAT MEANS IS YOU HAVE A RENEWABLE TARGET, SAY AROUND 40, 45%.

WE NEED TO GET UP TO 65% UNDER THESE NEW RECOMMENDATIONS.

WHAT IS THE LEAST COST PATH OF RENEWABLE ENERGY, PROCUREMENTS OR BUILDOUT IN ORDER TO GET TO THAT 65% AS OPPOSED TO CARVE OUTING A CERTAIN AMOUNT FOR SOLAR WIND OR ANY OTHER TECHNOLOGY WE MAY LOOK AT.

SOME SUBPROCESS RECOMMENDATIONS, AUSTIN ENERGY SHOULD EXPLORE BOTH LONG TERM AND FLEXIBLE SHORT TERM RENEWABLE ENERGY CONTRACTS TO PROVIDE AFFORDABLE RENEWABLE SOLUTIONS FOR AUSTIN ENERGY CUSTOMERS.

AND SPECIFIC INVESTMENT GOALS ARE FOR ENERGY EFFICIENCY, DEMAND RESPONSE, LOCAL OAK HILLER AND ENERGY STORAGE.

SO WE WOULD CONTINUE TO LOOK AT THOSE PROGRAMS PRETTY MUCH THE ONES THAT ARE BEHIND THE METER AND THE TECHNOLOGY ONES AND COME UP WITH SPECIFIC INVESTMENT GOALS FOR THOSE PROGRAMS.

SO I'M GOING THAT'S IT FOR THE RECOMMENDATIONS.

I'M GOING TO MOVE TO SOME COST IMPACT SLIDES.

MAYBE IT WILL BE A GOOD TIME BEFORE WE TALK ABOUT COSTS TO OPEN UP THE FLOOR FOR ANY QUESTIONS ANYBODY HAS ON THE RECOMMENDATIONS.

[10:12:30 AM]

>> Pool: COUNCILMEMBERS, ANY QUESTIONS SO FAR?

ALL RIGHT.

YOU CAN CONTINUE ON.

>> OKAY.

SO WE LIKE TO LOOK AT THE COSTS AND REALLY IN TWO WINDOWS.

ONE IS WHAT IS THE SHORT TERM COST IMPACT AND WHAT ARE THE LONG TERM COST IMPACTS.

AND BOTH ARE IMPORTANT.

IF YOU LOOK AT LONG TERM IMPACTS BECAUSE THINGS ARE MAYBE EXPENSIVE OVER THE SHORT TERM MAY PROVIDE VALUE OVER THE LONG TERM.

SO YOU NEED TO LOOK AT THAT.

IF THE COST IMPACT OVER THE SHORT TERM IS NOT SOMETHING THAT COUNCIL IS WILLING TO ACCEPT WE NEED TO LOOK AT THAT AS WELL FROM A RATE PERSPECTIVE.

SO THIS SLIDE HERE, AND I'M GOING TO BREAK IT DOWN PRETTY SLOWLY JUST SO THAT WE REALLY UNDERSTAND WHAT'S IN HERE.

WHAT WE'RE LOOK AT IS THE YEARS 2018 THROUGH 2022.

AND MILLIONS OF DOLLARS OR TENS OF MILLIONS OF DOLLARS.

THE BARS ARE BROKEN OUT INTO THE THREE MAJOR COMPONENTS OF OUR RATES.

THE CBC, WHICH IS REALLY THE MONEY THAT WE SPEND ON OUR PROGRAMS, LIKE ENERGY EFFICIENCY AND LOCAL SOLAR.

THE POWER SUPPLY ADJUSTMENT, WHICH IS ESSENTIALLY THE MARKET COSTS MINUS OUR GENERATION SALES INTO THE MARKET.

AND THEN OUR BASE RATES, AND THAT'S WHAT WE WORKED ON DURING THE RATE CASE, WAS THAT COMPONENT.

AND THESE ARE INCREMENTAL COSTS.

THIS IS NOT THE TOTAL COST.

THIS IS WHAT WE WOULD SEE INCREMENTALLY COMING TO FRUITION OVER THE NEXT FIVE YEARS.

NOW, FOR THE MOST PART, MOST OF THESE COSTS ARE NOT BECAUSE OF THE RECOMMENDATIONS THAT YOU JUST SAW.

MOST OF THESE COSTS LIVE IN THE RED PORTION OF THE BAR AND THEY ARE MOSTLY DUE TO MARKET CHANGES.

[10:14:45 AM]

WE HAVE A BACKWARDS LOOKING ADJUSTMENT.

WE'VE BEEN LOOKING AT REALLY LOW MARKET PRICES AND THESE MARKETPLACES ARE TICKING UP.

SO ABOUT HALF THAT RED BAR OR 60% OF THAT RED BAR IS ONLY DUE TO MARKET PRICES GOING UP.

SO WE SHOULD EXPECT REALLY OUR PSA, WHICH WAS REDUCED BY ABOUT \$100 MILLION OVER THE PAST YEAR, TO START TICKING BACK UP.

THE OTHER 40% IN THE RED BAR IS FOR THE INCREMENTAL RENEWABLE ENERGY THAT WE NEED TO PROCURE IN ORDER TO HIT OUR 55% RENEWABLE TARGET.

SO THAT IS REALLY FROM THE 2014 PLAN.

SO WE HAVE ALREADY COMMITTED TO THOSE TO THOSE GOALS.

AND IN ORDER TO ACHIEVE THAT 55% GOALS, AS YOU CAN SEE THERE'S GOING TO BE AN INCREMENTAL COST GOING FORWARD.

THE GOING DOWN TO THE BLUE BAR, WHICH IS THE BASE RATES, MOST OF THAT IS REALLY MOST OF THAT IS REALLY BECAUSE WE HAVE NOW MADE A COMMITMENT TO SHUT DOWN DECKER.

WHEN YOU DO THAT YOU START TO DEPRECIATE THE ASSET AND YOU LOOK TO PAYING THE DEBT OFF.

AND THAT PROVIDED A BUMP OVER THE NEXT FIVE YEARS FROM WHERE WE HAD EXPECTED BASE RATES TO BE.

NOW, WE DON'T EXPECT TO RAISE BASE RATES, RIGHT?

THAT'S JUST OUR BASE COSTS ARE GOING TO GO UP.

WHAT THAT MEANS IS THAT'S GOING TO COME OUT OF CASH OR NET REVENUES OVER THE NEXT FIVE YEARS.

>> Pool: KHALIL, YOU'RE SHOWING MORE THAN DOUBLING IN SOME CASES TRIPLING OF THE POWER SUPPLY ADJUSTMENT.

AND IT SOUNDED LIKE THERE WERE A COUPLE OF COMPONENTS IN THAT THAT YOU ADD TOGETHER.

I'D LIKE YOU TO SHOW A WAY IN HERE MAYBE THROUGH HATCHING OR SOMETHING TO SEPARATE THOSE OUT SO WE CAN APPRECIATE WHICH IS WHICH.

AND THEN I'D ALSO LIKE A MORE GRANULAR UNDERSTANDING OF THE PSAs AND WHY YOU EXPECT IT TO MAKE SUCH A BIG JUMP IN 2019.

[10:16:30 AM]

>> WE ARE NOT TRIPLING THE PSA.

THESE ARE INCREMENTAL COSTS.

OUR PSA RIGHT NOW IS IN THE 350 MILLION DOLLAR RANGE, RIGHT?

SO WE ARE INCREASING THE PSA FROM 350 TO 400.

THESE ARE INCREMENTAL COSTS OVER WHAT WE HAVE SPENT.

>> Pool: YOU'RE NOT SAYING THE SIZE OF THE RED BLOCK BETWEEN 2018 AND 2022 ISN'T THE TRIPLING

>> YOU'RE TRIPLING THE INCREMENT.

WE'RE NOT TRIPLING THE ACTUAL PSA.

THAT IS \$350 MILLION.

>> Pool: I THINK THAT'S THE PIECE THAT NEEDS TO BE BETTER EXPLAINED BECAUSE VISUALLY THAT'S EXACTLY WHAT THAT LOOKS LIKE.

OKAY.

>> ANY OTHER QUESTIONS ON THIS?

>> Alter: I JUST WANT TO MAKE SURE THAT I'M FOLLOWING.

SO YOU'RE SAYING THEY WERE ALREADY STARTING WITH 350 MILLION OF PSA.

THAT'S PART OF THIS BAR THAT WE'RE NOT SEEING?

>> SO THE ZERO MARK IS PRESUMABLY AROUND 350 MILLION.

>> SO THIS IS THE MARGINAL

>>

[10:18:45 AM]

>> Alter: MARGINAL INCREASE OVER TIME DUE WHO WHAT'S CITED.

>> DUE TO THE THINGS THAT ARE CITED THAT I TALKED ABOUT.

QUALITY WHAT WERE THE MULTIPLE PARTS OF THE PSA INCREASE?

>> SO THERE'S TWO THINGS THAT INCREASES THE PSA.

FROM, SAY, IN 2019, LET'S SAY 350 MILLION TO 400 MILLION.

ONE IS THE MARKET IS GETTING MORE EXPENSIVE.

MARKET PRICES ARE GOING UP.

SO THIS IS NOT DUE TO ANY ACTION AUSTIN ENERGY IS TAKING.

IT'S JUST THE MARKET.

AND WE BUY ALL OUR LOAD IN THE MARKET AND THEN IT'S REFLECTED IN THE PSA.

SO THAT'S ABOUT 60% OF IT.

AND THEN WHAT WE'RE DOING IS WE'RE PROCURING MORE RENEWABLES IN ORDER TO ACHIEVE THE 55% RENEWABLE.

AND THAT IS REFLECTED IN THE PSA ONLY BECAUSE IT'S A POWER PURCHASE AGREEMENT AND POWER PURCHASE AGREEMENTS ARE FLOWED THROUGH IN THE PSA.

SO THAT REFLECTS ITSELF AS A COST THROUGH THE PSA.

>> Alter: THANK YOU.

>> SURE.

I'LL MOVE ON TO THE LONG TERM THIS IS A RATE PERSPECTIVE.

SO THE SO ESSENTIALLY IT'S THE SAME GRAPH, BUT NOW ON THE VERTICAL ACCESS YOU'RE NOT LOOKING AT MILLIONS OF DOLLARS, YOU'RE LOOKING AT CENTS PER [INDISCERNIBLE] OR OUR ALL IN SYSTEM RATE.

IF WE TAKE OUR TOTAL ENERGY BY OUR TOTAL CUSTOMERS DEMANDS, THAT'S WHAT YOU GET AS FAR AS THE SYSTEM RATE, TOTAL SYSTEM RATE.

AND YOU'LL SEE THAT IT'S IT'S GOING TO TICK UP A LITTLE BIT EACH YEAR FROM EIGHT TO MAYBE EIGHT AND A HALF CENTS, AROUND THAT MARK.

AND THAT'S IN LINE ONE EASY WAY TO DO THE MATH IS EVERY \$15 MILLION OF INCREMENTAL COSTS IS ABOUT A ONE% INCREASE IN RATES.

SO THIS REFLECTS ABOUT A THREE PERCENT INCREASE IN AGGREGATE OF OUR TOTAL RATES OVER TIME.

[10:20:30 AM]

And most of that is to achieve the 2014 plan.

Some of it is recommendations, for example, Decker and solar budgeting we did, but most of this is really the 2014 plan.

So as you can see, there's still some cost that we are going to incur just to achieve the 2014 plan.

The blue line that's on top of that, that's our sort of goal.

We measure our goal from the 2012 year when the goal was created, so we took what the cost was in 2012 and then we did a 2% rise, a simple linear rise.

And as long as we're below that line, we say we're okay from a 2% perspective.

The reason for that is to account for volatility you may see in the market going up or down.

This way keeps us below that ceiling.

We're not reflecting the 50th percentile on this graph.

>> Alter: Can you just say what the average rate is versus the budget?

What the two

>> The red bar is what we have in our budget right now, is where we see our rates going forward.

Really, from the rate case and where we see the PSA forecasted.

And then the purple bar is what we modeled based on the 2014 plan, plus the recommendations that we just talked about.

>> Alter: Thank you.

>> So it's really a potential budget impact slide.

>> Pool: Any other questions on this slide?

Councilmember alter.

[10:22:32 AM]

>> Alter: We'll be changing the resource plan so this is what the purple bar is then showing us, if we make this change to move off the trajectory we are on now?

>> Right.

So if we adopt these changes, then we would work a new budget forecast, and presumably the purple bar becomes our budget.

>> Alter: Okay.

Thank you.

>> Okay.

Now let's look at long term impact, and I'm coming towards the end here.

The way we look at long term impact is over a 20 year horizon, even though it's a ten year plan, a lot of these investments that we make won't pay out if you don't look 20 years into the horizon.

So we look at 20 year, then what we do is we do a net present value, which means we discount the money back to today's dollars.

That's a simple way to talk about what a net present value is.

And we looked at the Delta again, this is a Delta, just like the bar before, to achieve the plan.

So if we were to do nothing, not even do the 2014 recommendations going forward, that would be the zero mark, that would be our current generation risk profiling going forward.

If we were to adopt what's left of 2014 council goals, that would cost about \$588 million over the next 20 years, discounted back to today's dollars.

All right?

If we were to adopt the incremental recommendations that we have from the working group, that number would rise from 588 to 630, discounted back.

Any questions on that?

>> Pool: You can move to the summary.

>> Okay.

>> Pool: And then we'll move to citizen indication input.

>> Sounds good.

>> Pool: Which we have quite a bit.

[10:24:45 AM]

>> Okay.

And I think commissioner hadden had some words two.

The recommendation of the 2016 update are measured incremental, and with exception of the Decker, have increased cost to the present plan over the short term.

Over the next five years, like I said, most of the the recommendations don't have an immediate impact, they are later out of the five year horizon.

The risk presented by retiring Fayette is large and singular in nature.

We've talked about this several times in executive session, so the plan needs to remain flexible to accommodate this risk.

We're currently making good progress towards the 2025 goals. The cost of renewal energy continues to come down.

Austin Energy plans to continue toward these goals in a measured and responsible measure, as well as achieving the 2017 recommended goals.

Austin Energy will have to manage the PPAs in its portfolio, as well as the financing required for potential build for the project.

So let me stop here just for a minute.

When we sign onto these renewable contracts, right now, almost all all of our renewable contracts are signed on through a contract.

We don't actually own any of the the developer owns it, and we buy the energy from the developer.

Typically the commitment is anywhere from 15 to 20 years.

The reason we do that and we don't actually own it is there are federal tax subsidies that we can take advantage of through the developer.

As a non tax entity, it's very hard for us, if we were to own the plan, to actually take advantage of those tax bounties, tax subsidies.

These are expected to roll off in the next few years, so we may switch from a contracting model to a build and own model, and you'll see that the way we reflect the cost will change drastically.

[10:26:30 AM]

For example, on a contracted renewable asset, you wouldn't see really a PPA a PSA impact because it's a have for the price of energy, but most of the cost will be reflected in the base rates.

So it will be it will look quite a bit different in our rates if we were to do that.

Now, there are costs and risks on both of these.

As of last year, the rating agencies have been looking at PPAs and telling public power that we're going to start looking at these as debt instruments and consolidating them on our balance sheet.

So that provides some sort of limit for the amount of contracts that we may be able to sign, even if it was creative to us.

So that's one risk we may have with this continuation of signing onto PPAs with rating agencies.

If we were to go to a build model, now we're talking about capital risk.

So just to give you round numbers, these are numbers you can keep in your head.

For 10% of renewable energy for Austin Energy, that's about 600 megawatts of renewables.

If we were to invest in capital for that, that's about a billion dollars.

Think of 10% renewables, about a billion dollar investment.

So that's that point.

We are far ahead of the rest of the market with our investment in renewable energy around energy efficiency.

In the event federal costs for Co2 becomes a reality over the next decade, our customers will be well positioned to benefit.

We did all our runs with and without CO2, and it wasn't a surprise, if there's a price for carbon, our portfolio would look really, really good right now.

Moving towards budget based goals for customer programs lowers the rate risk in our to our customers over the long term.

That concludes my presentation.

>> Pool: Thanks.

Ms. Hadden.

[10:28:45 AM]

>> Good morning.

And thank you.

It was a pleasure to work with you and the Austin Energy folks throughout this process.

It was a real learning experience.

It was a diverse group that came together.

I wanted to say just for clarification purposes, we never did vote on the final document, we just voted as we went on different pieces of the recommendations, and then we voted on the language around it, just for clarification.

I have encouraged the members of that working group to write individual comments, not because they are minority viewpoints, but because there are some points that people graduated to table that were really important to shed a little bit of extra light on.

I wrote some comments myself, and I'd like to share with you a few of my personal comments.

I do not intend to speak for the entire working group in this presentation, but I just would like you to know that we heard from a lot of community members, as you will, too, who are very concerned about both affordability and climate goals.

And the good news right now is those go hand in hand.

There's never been a better time for it.

If you look at the resource chart that got passed out to you, in a size that's big enough to actually reading, and you look at the total levelized cost, this is a way to compare apples to apples.

And you find that the renewables are the most affordable choice.

So we're in a good position right now.

The utility is doing well financially. All we need now is willpower to move forward and to meet the goals.

I think it's very important that the council goals established with the previous council resolutions 157 and 158 are recognized and the goal to meet a zero carbon generation tore Austin Energy by 2030 is very important, and we should stay on that path.

[10:30:30 AM]

And I believe we can do it of.

It takes willpower.

It's also very important to our community in terms of health and safety and leadership around the nation in terms of climate.

We are already feeling climate impacts.

We're getting intense flooding more frequently than we have in the past.

That has a price tag in human lives, in health and safety, and also in outright dollars.

So anything we can do right now, now is the time when we must take action.

I think we should keep megawatt goals in place as much as possible throughout this plan.

I'm not saying between solar and wind there should necessarily be a hard line, because you do want to get the best low cost contracts, but I do like measurable goals that are easily able to be tracked and accountability is in place.

I think that the electric vehicle arena offers great potential for the future.

Electrification of our grid.

And that it should be seen as an opportunity to increase revenues for the utility, especially with electric buses and so on and so forth throughout our city, that would result in cleaner air, and everyone would benefit.

I think I appreciated that Khalil mentioned several times that low income is to be, you know, looked at.

I'm hoping that our programs and our outreach will increase efforts to reach and do more for low income members of our community.

I think that is mostly what I would like to relay right now.

I think we're on the right path.

I think we can do more, and I would encourage you to look into the cost increment between 65% and 75% renewable.

A number of working group members noted that it is not a large increase, and so if we can look into how that might impact bills and whether it's doable, I would encourage you to do that.

Thank you very much.

[10:32:45 AM]

>> Pool: Thanks so much, Karen.

And I wanted to add my thanks to all the members of the stakeholders group who worked really hard to pull this together.

It was a really good effort, especially diversity of opinions that came forth.

Now we're moving into the place where it comes to the council and the additional opportunities for people in the community to come and tell us what you would like to see happen with our resource management plan for the next the couple of years.

Yes.

Councilmember alter.

>> Alter: Thank you, I just had a quick question for Ms. Hadden.

Thank you for your work on this group.

You mentioned a little bit about the process and how it wasn't an overall load, it was by piece.

Can you explain to me a little bit more how that works so that I can better understand

>> Sure.

>> Alter: the recommendations?

>> Sure.

It's no consequential output, just for clarification here.

We took each resolution and voted on it.

We worked for consensus as best we could rainy tallying, we wanted to come to consensus.

We looked at language surrounding the resolutions after we passed the resolutions themselves.

>> Alter: So when Mr. Cool says unanimity was reached what does that mean?

>> We did have consensus on this document, but it was done a piece at a time, as opposed to a final vote on the whole document.

>> Alter: Okay.

Thank you.

[10:34:30 AM]

>> Thank you.

>> Pool: Yes.

Councilmember Garza.

>> Garza: I have a question about slide 11 and then slide 12.

It's delineated short term cost impact.

Why is that?

Is there another chart that would show that these costs go up, but they would eventually go down?

>> So we have on slide 13

>> Pool: You want to turn your mic on there.

Thanks.

>> Yeah.

Good question.

On slide 13, we have what we call the long term impact, so 20 year net present value impacts, in aggregate for the plan.

So we looked the next five years on kind of a year to year basis, then we look long term for 20 years and say, okay, what's the total cost of this plan to us.

>> Garza: And how does so this slide 11 is the recommendations from the working group?

This is the impact of those recommendations?

>> This is the impact of the recommendations on top of the 2014 plan.

>> Garza: And so how does that relate to slide 12?

Because slide 12 is the cost to the customer.

Is that right?

>> It's the rate cost.

>> Garza: The rate cost.

[10:36:45 AM]

>> Yeah.

>> Garza: And so

>> Rate implications.

>> Garza: If, here, from 2018 to 2022, it looks like the rate cost goes up merely like a cent?

A penny?

Am I reading this right?

>> Are you looking at slide 12?

>> Garza: Yes.

So from 2018 to 2022, the red bar, is it just like a one cent change?

>> Half a cent probably.

>> Garza: I'm trying to understand how 11 and 12 relate.

Because if 22, we're saying let's see, 10, 20, 30, 40, 50, 60 almost \$70 million increase in the PSA, but then it results in a penny in the rate I'm trying to understand the relation.

>> Yeah.

So Mark, our CFO, says never do math in public, but I'm going to violate that tenet here.

1% cost impact for us, we have about 1.4 billion in revenues, it's about \$15 million.

So every increase in \$15 million total to the utility is about a 1% change in rates

>> Garza: Okay.

>> for us.

If you look at 1% of around 8 and a half cents, I mean, that's .8 of a cent no, .08 of a cent.

So if you look at if you look at 2019, about 3%, so it's 3% of 8 and a half.

>> Garza: So what the customer would see, even though slide 11 just visually makes it look like, you know, costs are just increasing significantly, the effect that the rate payer will see is about a penny.

[10:38:30 AM]

>> Correct.

>> Garza: Okay.

>> Which is, you know, significant for some of our rate payers.

>> Garza: So what would that mean in like the average bill?

>> Now you're asking me to do a lot of math in public, but we can average bill is about 900, you know, KWH, and it's going to be a 3 or 4% rise.

So say round numbers, it's 90 bucks, so three or four percent.

>> Garza: Increase?

>> Increase.

Yeah, so four or five bucks.

>> Garza: Okay.

I think that's an important okay.

Thanks.

>> But just to put this in perspective, the rate case was a \$45 million rate cut, so almost more than that is gone within the next year or two.

So just to put that in perspective.

>> Garza: You mean for 2019?

>> Right.

So 45 million was our base rate cut; right?

I mean these are the aggregate this is why our customers care about on the rate case, they care about \$45 million.

In 2019 our costs are going up \$50 million.

So that's it's consequential to our customers when our rates move either 50 million down or 50 million up.

It's not inconsequential.

[10:40:45 AM]

>> Garza: Okay.

Thanks.

>> Pool: Any other questions of either Ms. Hadden or Mr. Shaloby?

>> Mayor Adler: I have one more.

>> Pool: Mayor.

>> Mayor Adler: Just to be clear, what you're trying to do here when looking at budgets and not just with goals is something that we did this past last time, with the EEC, we were looking at risk rates, then we wanted to stay within the parameters we had set this continues that same approach of?

>> It continues that approach in that every time we make a big change to our plans, we bring forth what those rate impacts were.

And I think last time we did this was for the 415 megawatt procurement of solar, and we said council said, okay, we're okay with incremental costs as long as it keeps the bills within 1%.

So that was a previous, you know, wish of council when they signed onto the solar contracts.

>> Mayor Adler: And then we achieved what the purchase would be based on that budget parameter.

In other words, the question was, could we stay with the 1%.

Everybody agreed that that was something that was appropriate.

>> Right.

>> Mayor Adler: And then the question then was, do everything we can to meet our goals, saying within that parameter.

>> Right.

We did sort of pick projects in order to stay within that 1%.

We did that in executive session, in order to stay within that 1% increment.

[10:42:30 AM]

>> Mayor Adler: Okay.

And this follows that same approach in terms of looking at what the percent increase would be, and you say this represents a .8% increase?

>> It would be a 3 to 4%.

But as a reminder, most of that is baked in from the 2014 plan.

So we're not in any way dialing back from the working group recommendations.

We are on board with the working group recommendations to get 65%.

We just want to show that there is a cost impact going forward.

A lot of it's from the market, and a lot of it is from our previous commitments.

>> Mayor Adler: Okay.

What is the increase associated with the changes to the 2014 plan?

So what are the changes that are associated with this that are not the result of market, that are not the result of the direction we've already

>> So, in other words, what is the effect of just the recommendations of the working group?

>> Mayor Adler: Correct.

>> It's mostly over the next five years, mostly reflected in the base rates with the retirement of Decker.

So, again, it's a small part of the next five years.

Most of them, since it's a long range plan and the biggest recommendation effects or costs is the increment from 55 to 65, and that tends to happen later in the plan, after the five years.

A lot of that's not reflected here.

>> Mayor Adler: Okay.

So it would be helpful to know what the impact is of the changes that the working group is recommending that we make to the 2014 plan.

>> So that's reflected in the long term costs.

If you look at on slide 13, that's the difference between the last two numbers in bold, 630 and 588.

Right?

[10:44:45 AM]

So over the next ten years, it's about \$42 million in aggregate.

>> Mayor Adler: In aggregate.

>> NPD.

>> Mayor Adler: Over

>> Over ten years.

>> Mayor Adler: Over a ten year period of time.

>> Yes.

>> Mayor Adler: So about a \$4 million change a year.

>> Well, that's NPD so you double it.

It's 8 million.

>> Mayor Adler: Okay.

8 million.

And that represents what percent increase?

>> So again, the 8 million increment is going to be reflected towards the end, not the aggregate ten years, but if you want to average it over ten years, 8 million is a half a%.

>> Mayor Adler: A half a%.

>> That's half of 15 million.

>> Mayor Adler: Got it.

Thank you.

>> Pool: Any other questions?

Yes, Councilmember alter.

>> Alter: Thank you.

Would it be possible to piggyback on what Mayor Adler is saying and sort of see it over time from what you're saying?

I'm a little concerned that we're creating a bubble, after the end of these five years where things are going to go up a lot, and I'd although of to understand what the long term complications are for what the rates that we have for our council goals as currently stated, but then also what the increment means so that we can understand it over time, which might help us understand this 65% versus 75% choice better.

And then the other I forgot my other question, so I'll come back to it in a second.

[10:46:30 AM]

>> Pool: We can always post them up on the message board or send them in for Q and A.

Okay.

Are there any other questions for either Ms. Hadden or Mr. Shaloby or any other staff?

So, council, we okay.

Normally, we would be finished in about 35 minutes.

We have 34 people who want to speak to us.

Y'all canned the thank you.

>> Thank you very much.

>> Pool: Free up those mics.

How would you like to proceed?

We will be having a public hearing, probably in August, and we haven't settled on a date yet, but it'll be an agenda item on our council meeting.

And this is also for all the folks who are coming to speak to us today.

You will have an opportunity in a full fledged public hearing to speak as well as today.

So I'd like to see, colleagues, how you'd like to manage this.

Any any thoughts?

Yes, Councilmember alter?

>> Alter: May I ask one clarification, Ms. Pool?

I thought there was an agenda item for this week's council is that not

>> Pool: I'm talking about a public hearing.

Ms. Ball?

>> Yes, ma'am.

We had posted the item for council consideration on June 22nd.

And really, the thought process there was, we have had considerable public input and are going to put it before the EEC this week, recognizing that with budget and other actions that the council will take up in the months of August and September, we were wanting to get this moved forward this month, if possible.

That was a consideration.

>> Alter: So I'm not advocating we talk about it on Thursday, but I just would like some clarity.

>> Pool: Right.

>> Alter: Our thoughts about whether we want to postpone it to have a hearing in August.

>> Pool: Right.

>> Alter: If we're planning to move forward.

[10:48:50 AM]

>> Pool: So I will take that under advisement, that particular piece.

Thank you.

>> Yes, ma'am.

>> Mayor Adler: My sense would be that there's only half of us here, and we want to make sure that everybody gets a chance to speak to the entire council, so I wouldn't be in favor of limiting, further than our regular roles, any of the public testimony while all of us are here, which could be in two days.

That said, I'm not sure spending the next two hours taking public testimony today, and then having making everybody come back to speak again for two hours on Thursday, makes makes sense.

So but I would give people who showed up here the chance to be able to speak.

So I would be in favor of limiting the amount of time that speakers have.

>> Pool: Yes.

Councilmember Garza.

>> Garza: I have two suggestions.

>> Pool: Great.

>> Garza: One would be to hear the remaining items here.

My understanding of the committee meetings is now we have hard stops.

So if our hard stop is at noon, we quickly hear the next two items, hear as many speakers as we can until noon, or the other one would be, ask the advocates to have five people speak for them, something like that.

[10:50:35 AM]

>> Pool: Anybody else?

Mr. Renteria.

>> Renteria: I do have a meeting set up at noon so I'm not going to be

>> Pool: All right.

Councilmember Houston.

>> Houston: I like Councilmember Garza, let's do the rest of the briefings that we have, then use the remainder of the time to listen to the people that want to speak.

Meanwhile, they should be able to go out and figure out how many people will speak.

We've all got stuff to do this afternoon.

>> Pool: Right.

I think my chief of staff is here and I'll talk with her briefly about that.

Do you want to make that as a motion, Councilmember Houston or Councilmember Garza, to hear the next two items next as we figure out how best to approach we'll do that then.

Does that so you had all right to everybody?

All right.

Apologies to those who are waiting to speak right now.

We'll hold that quickly.

If I could ask staff to quickly move through items 5 and 6 and I'll ask the mayor to take the gavel and I'll confer with my staff.

Thanks.

5 is the annual update of the Value of Solar rider and the city's electric rates.

Thank you.

[10:52:50 AM]

>> Good morning.

My name is Erika Bierschbach, I'm director of operations at Austin Energy.

I will go through these decks.

I have two decks to go through and I'll go through them quickly so then we can move forward with the other items.

So I'm bringing the value of solar tariff, the number to your committee, and real quickly want to remind or go through how the value of solar tariff works.

So let's oh.

The thing to remember here, the customer is being billed for all on site electric use, and we are paying them the value of solar rate for the generation that is coming off of their off their solar panels.

The demand rate customers are going to receive the commercial VOS and non demand rate customers will receive the residential VOS.

A couple of the highlights, energy market prices are projected to remain pretty low, which is largely driven by natural gas.

Transmission costs of service has gone up.

Something new is, we are using a societal cost of carbon estimates for the environmental value.

This comes straight off the EIA, environmental intelligence agency website.

Also, Austin Energy has begun more elaborately developing methodology to be able to value the solar energy that is in our service territory, so production profiles have been updated to reflect the actual installed capacity against Austin Energy's territory, so that has been a very good activity that we've undertaken, so then we can more properly value the solar in our service territory.

Also, the commercial value of solar rate is has been developed in response to stakeholders' requests to formalize that.

[10:54:30 AM]

So these are components.

You may have seen these before, for the value of solar.

The energy value of the cost of fuel, transmission and distribution losses, this is the value, this is the 2018 assessment value that I'm going to be walking through here, which you'll see at the bottom I will say 8 and a half cents.

The plant value, capacity value, 5.16, as I mentioned, the environmental value is the societal cost of carbon we're introducing into the rate calculation.

So this is the table that we'll be that we're bringing forward.

The 2018 value of solar assessment is 8 and a half cents, as you can see there in the middle bottom.

And what that's what that does is that calculates the VOS rate, starting 2018 at 9.7, and historically, we've used a rolling average for the VOS assessment.

And we're going to be moving forward, keeping that 9.7 cents rate in place, until the next cost of service study.

So that's a change.

>> Alter: When will the next cost of service study

>> Four years.

2021, approximately.

We also have a commercial value of solar that we are introducing, and this is slightly different than the residential value of solar, which is a bit of a hybrid.

We are using the current market design.

It's a better, more sustainable methodology.

And this is because we're in an energy only market in ERCOT, the capacity values are in the energy prices.

Therefore, removing from of the components from the methodology.

So they are it is calculated similar to the residential value of solar, but the plant capacity the capacity in plant owned are replaced with historical premium, which is in the energy prices.

So those are the three components that will be made up for the commercial value of solar, and these are the rates for 2018.

And that's all I have.

[10:56:45 AM]

Do you have any questions?

>> Mayor Adler: Yes, Councilmember alter.

>> Alter: I was just wondering, with the decision not to use the average moving forward, but risks are associated with that either for the utility or for the homeowner?

>> So I think the homeowner benefits, right, because they have certainty as to what that rate is going to be.

Austin Energy is going to be managing that risk.

We have had the value of solar in place for some time, so we feel comfortable that we can manage that risk until the next cost of service.

>> Alter: Is there an opportunity that should something go really haywire and we want to provide a higher rate or something like that, that you would still be able to move in that direction?

So if all of a sudden all the other costs go through the roof and we really very quickly want to encourage more solar, and this would be one way to do that, would we still have the flexibility to adjust that up?

>> Debbie Kimberly, vice president, customer energy solutions.

The rolling average was actually introduced after the value of solar had been in place for the first year, and customers would have seen a pretty they did see a significant drop in their rate.

And we got stakeholder feedback.

And it really helps smooth the rate from the standpoint of our customers, so that's when we adopted the five year rolling average.

The real risk that you see right now is related to natural gas prices, and as Khalil said, those are expected to remain low, longer term, those are expected to go up.

[10:58:30 AM]

Keep in mind that not every customer can put solar up, roughly 60% of our residential customers rent, so there's a limit in just what the market penetration would be here in Austin.

We also think that this new proposal, which is to hold that rate constant for five years or until the next cost of service study, is really a win win for the customer as well as the utility.

We look at a lot of our other rates, like our base rates, on, you know, roughly a five year basis, and so it makes good sense to look at this as well, over that period of time.

It provides customers with the certainty is to what they'll receive when they're evaluating the potential to install solar.

>> Mayor Adler: Ms. Garza.

>> Garza: That's a good point about renters versus homeowners.

When a homeowner gets whatever rebate or incentive is there an incentive for the landlord to do the same?

Do you have to be the customer in order to get that rebate?

>> What we have in the case of the rental market, the property owner can elect to install solar, not to do a plug for green building, but foundation communities just opened bluebonnet studios on South Lamar and they have a 90 KW system that went in.

And this is for predominantly homeless Veterans, musicians, kids that have aged out of foster care, and included in their rent is a utility bill that takes into account that under this new proposal, they would get the commercial value of solar for that installation, as well as the performance base incentive for that that installation, which is has gone in.

So that's the way it would be managed.

And it's one of the reasons why we thought the commercial value of solar would be a very good thing, too, so that you can reach a broader market, especially with renter properties.

>> Garza: So that's what would be used if you just owned one additional house, and you rent that house, you would go the commercial route?

>> No, if you owned a house, two it was actually on a single family home, the it would depend how it was handled by the customer, but the owner would generally in that case we don't see a lot of people that are owning multiple properties, installing solar on those property, at this point in time.

>> Garza: I guess my question is, is there not a program pour them?

>> There's a program that we propose under a multifamily.

In the case of a customer who rents a single family home, you would likely not in all likelihood, not see solar on that, because the customer doesn't own the house.

The property owner would not be receiving the value of solar.

It just wouldn't generally pencil out.

But most of the renters that we see are actually in the multifamily space.

[11:00:45 AM]

>> Garza: So 60% of the customers that you're talking about that are renters are mostly multifamily renters.

>> That's correct.

>> Garza: Okay.

But it sounds like there is no program, if you are not the customer if you are the landlord that wanted to put solar to benefit your renters, there is no program that would allow the owner to get any kind of rebate because they're not customer.

Is that right?

>> The bill would be in the name of the renter, not in the name of the owner of the property.

>> Pool: Councilmember Flannigan.

>> Flannigan: To follow up on Councilmember Garza's questions, so when you've got the two separate meters on your solar installation, both of those meters have to be attached to the same account?

>> Yes.

>> Flannigan: So I think the option that I was thinking about for some of my folks is that the solar meter could be a separate account, than the usage meter.

For example, I'm a renter.

>> Uh huh.

>> Flannigan: I live in a duplex.

My landlord lives in the same neighborhood that I do, and he owns multiple duplexes.

If he wanted to, because he's the property owner, if he wanted to put solar on all those rooftops, the it would make sense that he would get the rebate he would get the value, not the rebate, he would get the value on his bill I mean he has the properties to put in the solar; he could end up being zero Austin Energy bill; my bill wouldn't change.

I'm using the same amount of energy that I'm using regardless.

Is that a logistical question for you all that you haven't considered?

>> It's really more of a question of who is using the energy.

You're using, in your case, Councilmember Flannigan, do you receive the electric bill?

[11:02:30 AM]

>> Flannigan: Yes.

>> Okay.

So you receive the electric bill, but you don't own the property.

>> Flannigan: Correct.

>> So if your landlord were to choose to put solar up there on the roof of your home, theoretically, he could receive the rebate, but the value of solar is calculated based on your consumption as the renter.

And most in your case, you're not going to go out and put a solar system up on the roof of a hopefully where you theoretically don't plan to live there for a long period of time.

So it's really more of who receives the electric.

We bill for all of the on site electric consumption, as Erika said, both the solar PB, as well as the residential consumption, then we credit back to the customer.

And I'm not sure we've ever even had a situation, to my knowledge, that came up like that.

>> Flannigan: There's a couple of situations I can imagine that would impact my district and probably Councilmember alter's district, that we have a lot of homeowners that have a lot of trees and they wish they could put in solar but can't, but there may be properties where they would like to get that value

>> Right.

>> Flannigan: of solar even though you see what I'm saying.

>> And that's the reason why, as Ms. Ball stated in her opening remarks, that's the reason why we're really excited about community solar, which received its approval from the planning commission last week.

So with the conditional use permit, we'll work with PowerFin and that is the primary target for rental customers.

>> Flannigan: Okay.

>> I'm happy to say that the Palmer installation sold out with virtually no marketing, per se.

And we've got 130 plus customers signed up on a waiting list to receive outpatient from the Kingsbery installation.

We think that's actually a very cost effective way of going about dealing with that part of the market.

[11:04:45 AM]

>> Pool: All right.

Are there any other questions?

Councilmember alter.

>> Alter: I just wanted to throw out there, I'm just curious if you're connecting up with CodeNEXT with respect to solar, I've had some constituents raise concerns about their solar investments and how they might be impacted by changes in entitlements with CodeNEXT.

They've already installed a solar under one system and they're concerned about the effectiveness of their solar installation, if there were to be big buildings

>> High rises.

Yes.

And yes, my staff is involved with CodeNEXT.

>> Alter: Great.

Thank you.

>> Pool: All right.

Anything else on this item?

We'll move on to item number 6, purchase power agreement for wind energy.>> Okay.

So we'll bring you a recommendation to City Council on this yourself to enter into a purchase power agreement for 200 megawatts of wind.

This is good timing to enter into an agreement of this kind.

>> Pool: Can you go ahead and introduce yourself?

I'm sorry, I don't see it on the slide, either.

>> I apologize, I will do it again.

My name is Erica Bierschbach, I'm director of interim operations for Austin Energy.

>> Pool: Thank you.

>> So the production tax credits will be rolling off, stepping off over the next several years.

And every step down of the production tax credit affects the purchase power agreement prices somewhere in the neighborhood of 3 to \$5.

So we would have an increase in prices as those PTCs start to lessen over time.

Also, the turbine technology in this field, in this area, is really quite immature; therefore, we don't see any increases of you know, in the reduction in power prices due to more mature technology with regards to turbines.

Our evaluation process had us go through 130 proposals in RFP last October.

The projects were evaluated and short listed based on revenue expectations, not just the price that we received.

[11:06:30 AM]

Projects were also evaluated on their wind profile characteristics and the developer's expertise and ability to be able to bring these projects to fruition.

We also conducted generation output and price distribution analysis using fundamental and statistic models, which is really looking at historical volatility of inputs to decide the output.

So, really, the project that we're bringing to you has a profile of high wind output during valuable times of the day.

This is due to the location, where it's located in the ERCOT grid, and the fact that it's generating more wind during peak hours.

So because it is generating more wind during peak hours, we're getting higher prices than it has a higher likelihood for producing more revenue for us than some of our other projects that were offered.

This also matches better with AE's load profile, and it allows this to be an instrument for hedging as well, potentially.

This is just a quick look at the short listed offers that we received, and it's an output profile.

So what we did was calculate a peak ratio, took all the expected output in certain time of the day and came up with a ratio for those short listed projects.

And what you see is that there's one that stands out over the rest, and that really has to do with where it's located.

[11:08:45 AM]

One of the requests, Councilmember Garza, was to show what our wind and solar portfolio is currently, and where we are with regards to how much it is how much of our renewable goal it is currently supporting, and then how the offered wind project would increase that.

So currently, in 2025, some of those wind some of those wind projects are rolling off.

So 38.6 is what we expect, based on load profile, based on our own load, because this is based against our load, but also the expectations of these wind farms to be generating over the next seven years, or until 2025.

So 38.6 is where that stands currently, is our estimate.

And then the offered wind project would bump that up to the 43.6.

So next steps are the RCA is posted in an amount of 262 million.

It's a 15 year PPA, with about 17 and a half million per year.

We're looking at a COD of or a commercial operation date, forgive me, of the end of 2019.

We are looking at present this to the EEC and move to ask for approval at the June 22nd council meeting.

>> Pool: Thanks so much.

Any questions on this item?

>> Can we get that that slide wasn't in our packet.

>> Yeah, I'm happy to

[11:10:50 AM]

>> Okay.

Thank you.

>> Pool: All right.

So back to item number 4, here's what I would like to do.

Three things.

One, we'll continue to have a staff presentation on the June 22nd agenda.

That would be staff presentation only.

We will have a public hearing.

There's a lot of interest in this in this plan.

There's significant number of people out in the atrium, and I believe most, if not all the members of the stakeholders group either are here now or have been here this morning, which also indicates the depth of our public communicated's interest in what's happening.

So we will have a public hearing on August 10.

And I think that date should accommodate both vacations and bringing people in who need to be here to make some presentations.

And for today, everyone who would like to speak, I will stay until we are complete with the list, but I would like to ask everyone just take one minute, if we could move through the 30 to 40 people who have signed up.

And I think maybe some of my colleagues may also stay.

But let's move to that now.

So, off the top, number one and what I'll do is I'll call three or four people up at the same time so we can also be more expeditious.

Kaiba white.

Kaiba.

She may be outside.

Why don't I give everyone in the atrium a chance to come on in.

And Debra white and pat Bula have donated time to Kaiba so she would have three minutes.

Kaiba, thanks for coming back in.

Just to update you on what we're doing, everyone who has signed up will have an opportunity to speak this morning.

We'll have a public hearing on August 10.

And we're I will limit the amount of time everybody has to speak this morning to one minute per person.

You have two people who have donated to you.

I see Pat Bula here.

Is Debra white here also?

[11:12:30 AM]

>> I'll get her.

>> Pool: So that means you have three minutes, Kaiba.

There are three people up after Kaiba.

You have three minutes.

>> thank you for the opportunity speak.

I'm here today on behalf of solar Austin and almost 2500 people who have signed a petition regarding the update to the Austin Energy resource generation and climatization plan.

I'm not going to read that because of limit of time but please take a look.

It's being handed out to you now.

While we weren't able to capture district information for all petition signers, there is representation from all council districts, as well as Austin Energy customers who live outside city limits.

The Austin community is committed to taking the appropriate action to predicate the climate, while improving affordability for those who need help the most.

And we are calling on council to have a full public hearing that is scheduled well in advance for an evening and to please take public input into account when making your decisions.

This should not happen within four days.

It is a more serious decision than that.

As the elected board of directors for Austin Energy, it will be your job to evaluate the facts for yourself and make a final decision.

I urge you to take the time to understand the data, especially the limitations of the program used to model the various scenarios.

[11:14:45 AM]

When it comes time to make a decision, be bold and ambitious.

Goals are only useful if they push us to do more than we otherwise would.

At least 32 cities have committed to 100% renewable energy goals and five have already achieved this goal.

If Austin is to claim leadership on combating climate change, 100% carbon free energy is needed.

I urge you to commit to that for Austin Energy.

The goal by 2027 will put the utility on track to meet that goal.

Likewise, the other clean energy goals should be substantially increased to maintain at least the rate of progress that Austin Energy has achieved over the past several years ago, not declining rate of progress which is what some of the recommendations from the working group would comply.

The most affordable energy solution should be the primary focus with robust goals.

Many opportunities for simple, cost effective efficiency investments like attic insulation still exist in Austin.

Distributed solar homes and businesses is more affordable and popular than ever, yet the working group recommendations include no increase to local solar goals.

There's reason in to think that the growth rates of the past several years can't be maintained, or even improved upon, especially if Austin Energy implements new programs to serve low income residents, renters, and those in multifamily housing.

This is possible and is being done other places.

A goal of 300 megawatts of local solar by 2027 is entirely achievable and will create local jobs while helping customers reduce their bills and their impact on the environment.

Please consider energy storage and response goals that will allow Austin Energy to avoid financial risk in the ERCOT market while retiring its fossil fuel fleet by 2030.

[Buzzer sounds]

Please keep in mind this plan is a roadmap but any procurements will come to council for approval.

You can always reject projects you feel will be too expensive or risky.

An ambitious plan will encourage staff to keep innovating and looking for new opportunities to transition to renewable clean energy.

A weak plan will result in missed opportunities.

[11:16:30 AM]

>> Pool: Thanks so much, Ms. White.

Mr. Braden?

>> Garza: Can I ask a quick question?

The plan says 65% by 2027, but that's the plan before us; correct? And you're saying

>> That's what the working group recommendations endorsed.

>> Garza: And you're saying

>> 75.

>> Garza: What's the difference between what you're asking for.

>> Instead of 65% by 2027, make that 75% by 2027 goal.

>> Garza: And then a hundred by

>> Yes, but I'm being specific in saying carbon free by 2030 because we do have a portion of our energy coming from nuclear power.

>> Garza: Okay. Thanks. >> Pool: All right. Thank you, Ms. White.

Mr. Braden, you have one minute.>> Good morning, chair Pool, Mayor Adler and council, I'm with District 10.

I signed up as neutral but what I really want is for this plan to be strengthened.

It's not a bad plan, but I think it lacks the ambition we need to solve the climate crisis, and the ambition that we as Austin have to lead to clean energy.

So I'm going to try to get this two minutes done in one minute.

My main thing is changing the commitment from 75 to 80% renewable by 2027 on a pathway to zero carbon by 2030.

That's written in the plan as an option.

I think we need to take that option.

Another thing is make job one of the next resource plan, getting to zero carbon by 2030.

We didn't even really model that, and that needs to be our goal, our focus, and our model for the next plan, and we need to create council agreed methods of presenting that.

When we looked at the resource planning group, we had this plan with [indiscernible] on it that we couldn't make heads or tails of what was affordable, what things would cost, what the rate impact would be.

That needs to be in there.

One last thing, a real shout out to Erica.

Picking wind farms that are running during the daytime is a big break through I've been asking for for a long time, and I'm just glad to see Austin Energy jumping on that. thank you.

>> Pool: Thanks.

>> Thank you.

Thank you for being here and letting us speak.

Since the generation plan was passed in 2014, a lot has happened.

At the end of 2014, just in two years, prices have fallen, so there are fossil fuel resources and a lot of cities are going carbon free.

We need to set our goals a bit higher.

You're the board of directors.

Your job is seeing the big picture.

Mission values goals and vision.

[11:18:45 AM]

So we're asking for 75.

I'm passing out a piece of paper that shows the 65% goal, halfway between the 2025 and 2030 goal, is not actually an increase.

If you draw a straight line, 65% comes in a little bit below that straight line.

You need to go to 75% to get you closer to the goal on 2030.

And I want to ask for the increase in your energy efficiency goals, your weatherization and those kinds of things, those are very intersectional.

It benefits our role income community and our climate.

>> Pool: Thank you so much.

>> Thank you, Madam chair, councilmembers.

My name is Carol Biedrzycki. I'm with Ratepayers' Organization to save energy.

I was a member of the 2014 generation Task Force and I also chaired the low income consumer advisory Task Force.

I have a technical comment to make and I just added all that because I believe that this is, you know, informed I'm providing you with information to back all this up, but this is sort of like my scratch sheet here.

This is from page 7 of the working group report, and it has to do with commitments to low income, hard to reach markets, and small businesses in energy efficiency.

And number one, we have found in our Task Force report that 28% of the households in Austin are low income, 38% are what we defined as low moderate income.

This is 66% of all households.

When we look at this commitment to direct at least 15%, that's kind of lame, I think, and I think that we need to define hard to reach because, in my book, it means the same as low income.

So it's redundant unless there's a definition of it.

And we should also put small business in another category.

So that's my comment.

I just think that this part needs a little work.

>> Pool: Thank you so much.

Is Leslie Libby here?

I didn't see her.

All right.

She had signed up against.

Let's see, Robert Matlock, and then Paul Robbins, and Cyrus Reed.

>> I have a visual aid and I would like to point to this screen as

>> Pool: Sure.

Help yourself.

And if you have a video, you can always staff can e mail it to us as well.

>> Oh, here we go.

Okay.

[11:20:30 AM]

>> Pool: Yes.

So could you introduce yourself?

>> Excuse me.

Robert Matlock.

>> Pool: Thank you.

>> I'm in District 9.

And this is the graph showing energy generation options from the resource plan.

The cost of the options is on the vertical axis.

This is the option that the that Austin Energy is recommending with 65% renewables.

I would like us to go to 75%.

The apparently most expensive of those is this one.

There's about \$150 million difference between those, but what's the reliability of these estimates?

Can I have the next slide?

So this horizontal axis is what portrays the uncertainty in the cost and that ranges from \$1.25 billion for this option to just under two billion dollars for the recommendation of Austin Energy.

What I'm saying is that the uncertainty in cost dwarfs the apparent differences in cost between these estimates.

So these options are not significantly different, statistically.

There's no statistical justification for choosing one over the other on the basis of cost.

They're statistically indistinguishable.

So they're actually affordable.

>> Pool: And you're saying the one on the left has a lower risk.

>> This is also more risk averse.>> Pool: YOU'RE SAYING THE ONE ON THE LEFT HAS A LOWER RISK?

>> YES.

THIS IS ALSO MORE RISK AVERSE.

>> Pool: GOTCHA.

THANK YOU.

PAUL ROBBINS

>> BEFORE I GET MY ONE MINUTE OF FAME, COULD I MAKE A SUGGESTION OR A REQUEST?

WE SPENT THE THE MEMBERS OF THE WORKING GROUP SPENT SEVEN MONTHS ON THIS.

WE DO HAVE KIND OF A BIRD'S EYE VIEW OF THINGS.

IS IT PLAUSIBLE AT SOME POINT THAT THE MEMBERS OF THIS GROUP MIGHT GET THREE MINUTES TO SPEAK PERHAPS THURSDAY?

>> Pool: YOU MAY HAVE BEEN OUT OF THE ROOM WHEN I

[11:22:45 AM]

>> NO, I WAS IN THE ROOM.

I AM SAYING THAT WE SPENT CONSIDERABLE TIME ON THIS IN ORDER TO ASSIST COUNCIL AND I'M ASKING IF AT SOME POINT, PERHAPS THURSDAY, WE MIGHT GET THREE MINUTES EACH TO EXPLAIN OUR POSITIONS MORE FULLY.

>> Pool: THANK YOU FOR THAT REQUEST AND WE'LL GET BACK TO YOU ON HOW WE CAN MAKE THAT HAPPEN.

>> APPRECIATE IT: NOW I GET MY ONE MINUTE.

>> Pool: YOU MIGHT INTRODUCE YOURSELF.

>> I AM PAUL ROBBINS, CONSUMER ADVOCATE.

I WANTED TO CORRECT KAREN HADDEN ON SOMETHING WHERE SHE HELD UP A CHART AND SAID THIS CHART SHOWS RENEWABLE ENERGY IS CHEAPER THAN FOSSIL FUEL.

THIS IS AN APPLES TO APPLES CHART.

IT IS NOT AN APPLES TO APPLES CHART.

IT IS COMPARING INTERMITTENT WIND AND SOLAR TO DISPATCHABLE POWER.

SEVERAL PEOPLE HERE TODAY WILL ARGUE THAT AUSTIN ENERGY SHOULD FOLLOW THE LEAD OF GEORGETOWN, TEXAS, AND GET ALL OF ITS ELECTRICITY FROM RENEWABLE ENERGY.

AND I DON'T WANT TO CRITICIZE THE SMALL FRIENDLY PLACE IN THE SMALL, FRIENDLY CITY CALLED GEORGETOWN, BUT IT HAS NOT GENERATED ITS OWN POWER SINCE 1945.

ITS GRID WOULD PROBABLY CRASH IN MICROSECONDS IF NOT FOR THE BACKUP FROM THE TEXAS ERCOT GRID WHICH RECEIVED 26% OF ITS POWER IN 2016 FROM DISPATCHABLE FACILITIES.

[11:24:30 AM]

>> Pool: THANK YOU, MR. ROBBINS.

MR. REID.

AND AFTER MR. REID, I THINK TODD DAVEY HAS LEFT.

BETTIE DUNKERLEY AND LEO DEALMAN WOULD BE NEXT.

>> I WAS A MEMBER OF THE WORKING GROUP.

I DO SUPPORT THE WORKING GROUP RECOMMENDATIONS.

HOWEVER, I DO SUPPORT HAVING A PUBLIC HEARING IN AUGUST TO HEAR MORE FROM THE PUBLIC.

LET ME JUST TALK ABOUT A COUPLE OF RECOMMENDATIONS.

OUR RENEWABLE RECOMMENDATION WAS GET TO 65% BUT STUDY 75 OR 80 EXPERTS.

WE DIDN'T THINK WE WERE READY TO GO TO 75% BECAUSE THE NUMBERS DIDN'T QUITE JUSTIFY IT.

BUT WE DO THINK SOMETIME IN THE NEXT TWO YEARS YOU SHOULD STUDY THAT OPTION AGAIN.

WE DID NOT LOOK AT A 2030 GOAL BECAUSE THIS WAS IN THE PART OF THE PLAN.

I DO THINK IN TWO YEARS YOU SHOULD LOOK AT THAT ZERO, NET ZERO PLAN WHEN WE HAVE MORE DATA.

I THINK THAT'S A GOOD THING TO DO.

A COUPLE OF OTHER RECOMMENDATIONS WE DIDN'T DISCUSS, WE DID HAVE A LOCAL ENERGY STORAGE GOAL TO BUMP THAT UP.

WE DID TALK ABOUT STUDYING EMERGING TECHNOLOGIES LIKE DEMAND RESPONSE AND GRID TO EV.

WE DID HAVE A RECOMMENDATION ON TRANSPORTATION.

[11:26:45 AM]

SO I THINK A LOT OF THE ISSUES THAT THE COMMUNITY IS RIGHTLY CALLING FOR ARE IN THIS PLAN AND I THINK YOU SHOULD LOOK AT THIS PLAN CAREFULLY AND I THINK WE'RE GOING TO GET WHERE PEOPLE WANT TO GO.

IT JUST MAY TAKE A COUPLE OF YEARS.

AND I DO HAVE CARDS FROM A BUNCH OF FIFTH GRADERS ASKING YOU TO DO MORE ON RENTERIA, RENEWABLE ENERGY, MORE ON SOLAR, MORE ON WIND.

I DON'T KNOW WHETHER TO GIVE THIS TO THE MAYOR OR LESLIE.

I'M NOT SURE WHO IS IN CHARGE.

>> IF YOU COULD HAND THEM TO HAYDEN, HE WILL MAKE SURE THEY'RE ENTERED INTO OUR OFFICIAL RECORD.

>> THANK YOU.

>> Pool: AND LET ME JUST TELL YOU ALL, I SO APPRECIATE YOUR WILLINGNESS TO GO THROUGH THE ONE MINUTE.

I REALIZE HOW STRESSFUL AND PRESSURING IT IS, BUT THANK YOU.

THANK YOU.

AND I THINK WE'LL GET TO EVERYBODY THAT WAY.

MS. DUNKERLEY, WELCOME.

[11:28:30 AM]

>> MY NAME IS BETTIE DUNKERLEY.

IS IT ON NOW?

AND I REPRESENT SETON ON THE WORKING GROUP.

AND IT WAS A LONG SEVEN MONTH PROCESS.

AND I WANT TO ALSO CONFIRM THAT I SUPPORT THE REPORT.

AND JUST REALLY WHAT WE BASICALLY DID IS THAT WE RECONFIRMED THE PLAN THAT COUNCIL PUT IN PLACE IN 2014.

WE ADDED SOME ADDITIONAL ELEMENTS FOR FURTHER CLIMATE PROTECTION, BUT EVERYONE IN THAT WORKING GROUP PARTICIPATED.

THEY ALL PUT THEIR IDEAS ON THE TABLE.

WE HEARD FROM THE PUBLIC IN ADDITION TO THE WORKING GROUP, SO WE HAD A LOT OF INPUT.

THE PROCESS I THOUGHT WAS EXCELLENT.

WE DID VOTE ON THE KEY ISSUES TO INCLUDE IN THE REPORT.

BUT THAT DIDN'T LIMIT PEOPLE ADDING THEIR OWN COMMENTS OR ON THEIR OWN EMPHASIS TO A SUPPLEMENTAL REPORT AT THE BACK.

SO I THINK WE GOT OVERALL A VERY GOOD REPORT.

I FELT THE PROCESS WAS COMPREHENSIVE.

BUT IF YOU BOIL IT DOWN TO SEVEN MONTHS OF WORK

[11:30:45 AM]

[BUZZER SOUNDS]

I THINK YOU COULD SAY THAT WE WANT TO GET AS MUCH CLIMATE PROTECTION AS WE CAN AND CITY WITHIN THOSE AFFORDABILITY GOALS.

I WANT TO HAVE SOME THANKS TO KAREN HAYDEN, OUR CHAIR, WHO LEARNED ANOTHER LESSON IN HERDING CATS.

[LAUGHTER].

AND ALSO TO AUSTIN ENERGY WHO LEARNED A LOT OF PATIENCE FROM TRYING TO MAKE THIS STUFF UNDERSTANDABLE TO MANY OF US.

AND FOR THE ENUMERABLE SCENARIOS THEY RAN FOR US.

SO THANK YOU FOR BOTH OF THOSE GROUPS.

>> Pool: THANKS, MS. DUNKERLEY AND THANKS FOR BEING WILLING TO COME BACK TIME AND TIME AGAIN TO WORK THROUGH SOME PRETTY KNOTT PROBLEMS.

AND THAT'S KNOTTY.

JERRY LOCKE, IT LOOKS LIKE TWO PEOPLE HAVE SIGNED UP TO GIVE YOU A MINUTE EACH.

[11:32:30 AM]

>> THANK YOU, MY NAME IS LEO DEALMAN, A RESIDENT OF DISTRICT 6.

I HAVE A QUICK STATEMENT.

I THINK AS A MEMBER OF THE COMMITTEE IT WAS IMPORTANT TO ME THAT THE SOLUTIONS THAT WE RECOMMENDED TO ADDRESS COUNCIL'S POLICIES IN A SUSTAINABLE MANNER, IT THAT THEY WERE ECONOMICALLY VIABLE, THAT THEY ALLOWED FLEXIBILITY FOR GREEN AFFORDABLE POWER AND AS AN ENTERPRISE DEPARTMENT PROVIDE A NEED FOR THE ENTIRE CITY.

THEY WERE ALSO EQUITABLE SO THEY WERE AFFORDABLE AND FAIR TO ALL CUSTOMER CLASSES.

AND FINALLY THAT THEY WERE ENVIRONMENTALLY SOUND AND PROVIDED FOR CLEAN, AFFORDABLE ENERGY IN THE COMPONENTS OF THE FLEET AND REINFORCEMENT OF ENVIRONMENTALLY SOUND CONSIDERATIONS.

TWO ADDITIONAL CONSIDERATIONS WERE DISCUSSED.

IT IMPORTANT THAT SOME OF THE MEMBERS OUR RECOMMENDATIONS WERE REPRESENTATIVE OF ALL OF THE AUSTIN COMMUNITY, NOT JUST CERTAIN SECTIONS OF THE AUSTIN COMMUNITY.

AND WE DID TALK ABOUT NOT POKING THE BEAR.

[BUZZER SOUNDS]

I THINK WE'VE BEEN DISMAYED AT THE HEAVY HAND APPROACH OF GOVERNANCE BY OUR FRIENDS NORTH ON CONGRESS AND WE WANTED TO TRY TO AVOID THAT IN THE FUTURE.

AT THE END OF THE DAY I'M SUPPORTIVE OF THE WORKING GROUP'S RECOMMENDATIONS AND I BELIEVE THE ADDRESSED AND PREVIOUSLY STATED CONCERNS STAY AS IS.

THANK YOU.

[11:34:50 AM]

>> Pool: THANK YOU, MR. DEALMAN.

SKIPPING OVER LARRY AND WE COME TO JANIE BRIESMEISTER, EVAN BOOKOUT AND [INDISCERNIBLE] BOOKOUT.

EATS FURTHER DOWN THE LINE, BUT NOT TOO MUCH FURTHER.

JANIE, WELCOME.

>> MY NAME IS JANIE BRIESMEISTER, I SERVED ON THE WORKING GROUP SUPPORTING LOW INCOME RATEPAYERS.

I HAVE NEARLY 30 YEARS OF EXPERIENCE AS A RESIDENTIAL CONSUMER ADVOCATE, BOTH THE CONSUMER AUTOS UNION AND AARP AND SOME OF YOU MAY REMEMBER ME AS PART OF THE INDEPENDENT CONSUMER ADVOCATE TEAM IN THE AUSTIN ENERGY RATE CASE.

I WORKED ON THIS THIS WORKING GROUP AS A VOLUNTEER.

THE WORKING GROUP IS BROADLY REPRESENTATIVE OF THE COMMUNITY, BUT ALSO KNOWLEDGEABLE ABOUT UTILITY RATE MAKING AND THE UTILITY INDUSTRY.

ALL OF US SUPPORTED THE COUNCIL'S LONG TERM GOALS FOR CLIMATE AND MOVING THEM FORWARD.

WHERE THERE'S DIFFERENCES I THINK ARE IN TIMING AND AFFORDABILITY, AS OTHERS HAVE STATED.

IT IS GETTING REALLY EXPENSIVE TO LIVE IN AUSTIN AND UTILITY RATES ARE A BIG PART OF THAT.

I URGE TO YOU LOOK CAREFULLY AT ALL THE FACTS BEFORE CONSIDERING AN INCREASE TO THE GOAL.

I WOULD LIKE TO SAY THAT SOME OF US HAVE BEEN DISCUSSING A COMMENT BY THE CHAIR WOMAN THAT WE DO RECALL VOTING ON THE FINAL REPORT.

[11:36:30 AM]

[BUZZER SOUNDS]

IN FACT, SOME OF THE INDIVIDUAL VOTES WERE NOT UNANIMOUS, BUT MOVING THE FINAL REPORT WAS.

AND IT IS BECAUSE WE THOUGHT IT DID STRIKE THE BALANCE BETWEEN CLIMATE GOALS AND AFFORDABILITY.

>> Pool: GREAT.

THANK YOU SO MUCH.

MS. BOOKOUT, WELCOME.

GOOD TO SEE YOU.

>> THANK YOU, COUNCILMEMBER POOL, MAYOR ADLER, THANK YOU, COUNCIL.

ACCORDING TO THE EMISSIONS GAP REPORT, THE PARIS AGREEMENT, IF FULLY ENFORCED, GETS THE WORLD TO THREE AND A HALF, FOUR DEGREES WARMING BY THE END OF THE CENTURY.

THAT'S BILLION ABOVE THE ESTABLISHED RECOMMENDATION OR THE ESTABLISHED REQUIREMENT OF TWO DEGREES.

THAT'S WHY LAST FALL C 40 CITIES, OF WHICH AUSTIN IS A LEADING MEMBER, ESTABLISHED DEADLINE 2020, A PATHWAY FOR CITIES TO MEET THE TWO DEGREE GOAL.

DEADLINE 2020 REQUIRES CITIES IN OUR CATEGORY, WHICH IS THE STEEP DECLINE CATEGORY, ACCELERATED ACTION, SPECIFICALLY BY 2035 THESE CITIES MUST BE PRODUCING NEGLIGIBLE EMISSIONS.

THAT'S A QUOTE FROM THE C FORT CITIES DOCUMENT.

THAT'S ALL EMISSIONS, WHICH IS WHY IT'S CRITICALLY IMPORTANT THAT WE BE EVEN MORE AGGRESSIVE IN OUR GOALS TO REDUCE TO GO CARBON FREE BY 2030.

I SUPPORT 75% BY 2027.

[BUZZER SOUNDS]

I SUPPORT ADDRESSING THE AFFORDABILITY OF ROOFTOP SOLAR THROUGH REBATES.

AND I SUPPORT AGGRESSIVE ACTION.

THANK YOU.

[11:38:45 AM]

>> Pool: THANKS FOR BEING HERE.

THIS IS EVAN BOOKOUT.

WELCOME.

>> HI.

>> Pool: YOU CAN INTRODUCE YOURSELF.

>> MY NAME IS EVAN BOOKOUT.

AND THIS IS MY MOM.

AND I AM HERE BECAUSE CLIMATE CHANGE IS REAL.

AND I'M HERE TO CONVINCE YOU GUYS THAT THAT AUSTIN GOING I'M SORRY.

THAT HAVING AUSTIN GO RENEWABLE AS FAST AS POSSIBLE IS NEEDED.

AND THERE ARE ALREADY SOME CLIMATE CHANGE HAS ALREADY TAKEN EFFECT IN SOME AREAS,
INCLUDING CENTRAL TEXAS WE'VE SEEN FIRES, LARGE FLOODS AND DROUGHTS.

AND ALL OF THESE ARE JUST THE BEGINNING.

IF THE CLIMATE CONTINUES TO

[BUZZER SOUNDS]

RISE, THEN WE CAN SEE MASS EXTINCTION, WHICH BY THE WAY, SCIENTISTS SAY THAT THE SIXTH
MASS INTENTION IN EARTH'S HISTORY HAS ALREADY BEGAN.

SO YEAH, THAT'S NOT GOOD.

[11:40:30 AM]

>> Pool: THANK YOU SO MUCH FOR BEING HERE.

WE APPRECIATE.

>> SO AUSTIN'S MY HOMETOWN AND I BELIEVE THAT AND IT'S A VERY GREEN CITY, IT'S INNOVATIVE.

AND IT'S A LEADER.

SO I BELIEVE THAT WE CAN WE CAN WORK ON MAKING IT GO 100% RENEWABLE, BUT I NEED THE
COUNCIL'S HELP AND I NEED THE MAYOR'S HELP AND I NEED THE CITY OF AUSTIN'S HELP TO DO THAT.

>> Pool: THANK YOU SO MUCH.

APPRECIATE IT.

THANK YOU FOR BEING HERE.

[APPLAUSE].

>> Pool: NEXT UP IS RICHARD HALPIN AND THEN DANIEL YANEZ IS AFTER MR. HALPIN.

WELCOME, RICHARD.

>> THANK YOU, CHAIR WOMAN AND COUNCILMEMBERS.

I AM A MEMBER OF THE WORKING GROUP.

I WAS PROBABLY THE PERSON WHO RECOMMENDED THE 75% RENEWABLES.

AND WE DID GET A CONSENTS ON THAT FIRST STUDY CONSENSUS A THAT FIRST STUDY.

I THOUGHT THAT WAS AS HIGH AS I COULD GET IN TERMS OF CONSENSUS.

I'M HERE TODAY TO TALK ABOUT THE ADDITIONAL RECOMMENDATIONS IN THE PLAN THAT I WROTE AND I'M ASKING YOU TO CONSIDER HOW WE CAN GET TO AFFORDABLE 100% RENEWABLES.

IT'S JUST CRITICAL IF WE WANT TO CONTINUE TO BREATHE THIS AIR.

YOU KNOW THAT 12,000 PEOPLE IN TEXAS DIE FROM AIR POLLUTION EVERY YEAR, WE JUST CANNOT LET THIS CONTINUE.

THERE ARE OTHER RECOMMENDATIONS IN MY LIST ON PAGE 9 AND 10 AND I HOPE YOU WILL TAKE A LOOK AT THOSE.

SIMPLE IDEAS ON HOW TO GET THE CITY DEPARTMENTS TO WORK TOGETHER.

AS MANY OF YOU COUNCILMEMBERS KNOWS, WE'VE SILOS AND WE NEED TO GET THOSE SILOS TO STOP BY WORKING TOGETHER.

I ALSO WOULD URGE YOU TO HAVE AN AUDIT DONE, A RISK MANAGEMENT AUDIT DONE ON THE SOUTH TEXAS NUCLEAR POWER PLANT BECAUSE I COULDN'T GET INFORMATION ON THAT, THE WORKING GROUP.

[11:42:45 AM]

[BUZZER SOUNDS]

AND I THINK THE NEXT TIME THE GROUP MEETS IN TWO YEARS THEY SHOULD HAVE THAT DAUGHTER.

THANK YOU VERY MUCH.

>> Pool: MR. YANEZ, IF MR. LOCKE, MR. HEN RICKSON AND MR. SKINNER HENRICKSON AND MR. SKINNER HERE.

YOU HAVE TWO MINUTES.

>> MY NAME IS DANIEL YANEZ.

I'M HERE WITH PODER, PEOPLE IN DEFENSE OF EARTH AND HER RESOURCES.

WE ARE PART OF THE CLIMATE CHANGE COALITION.

AND HERE TO SUPPORT THE PREVIOUS SPEAKERS FROM PUBLIC CITIZEN, MR. HALPIN, EVERYONE THAT'S GIVING YOU STATISTICS.

AND I ALSO AM A PERSON WHO THINKS THAT WE SHOULD RAISE THAT FROM 65 TO 75%.

THERE'S NOT ENOUGH THAT WE CAN DO TO MITIGATE THIS SITUATION.

I ALSO WANT TO POINT OUT THE FACT THAT IF THE CITY OF AUSTIN IS PLANNING TO REPLACE THE DECKER PLANT, IT SHOULD NOT BE WITH ANOTHER GAS PLANT.

BECAUSE THE GAS PLANTS ARE NOW SUPPORTING FRACKING.

FRACKING IS THE MOST TERRIBLE THING THAT WE COULD DO IN THIS WORLD, BUT THE INDUSTRY IS THERE.

AND SO I WILL END WITH A WORD TO YOU AS OUR BY THE WAY, HAPPY FATHER'S DAY TO ALL THE FATHERS.

SO YOU AS OUR CITY MOTHERS AND FATHERS HAVE THE RESPONSIBILITY OF PROTECTING US.

SO ANYTHING AND EVERYTHING YOU CAN DO TO REVERSE THE CLIMATE CHANGE SITUATION WILL BE GREAT.

THE OTHER THING I WILL SAY IS THAT I'VE BEEN ASKED TO SPEAK BECAUSE THERE'S AS YOU CAN SEE THIS IS MOSTLY A WHITE AUDIENCE, SO THAT TELLS US AND AND A PREVIOUS SPEAKER TALKED ABOUT THE 66% OF PEOPLE IN AUSTIN WHO REALLY DISENFRANCHISED, ARE NOT PART OF THIS CONSIDERATION.

[11:44:30 AM]

I WOULD SUGGEST THAT AUSTIN ENERGY FIRST OF ALL, I WANT TO REMIND THOSE OFFICIALS IN AUSTIN ENERGY THAT YOU ARE THE STEWARDS OF AUSTIN ENERGY.

YOU DO NOT OWN AUSTIN ENERGY.

WE OWN AUSTIN ENERGY.

AND THERE'S NOT ENOUGH PUBLIC INPUT HERE.

TO HAVE PUBLIC HEARINGS THAT ARE GOING TO AFFECT SO MANY PEOPLE, I WOULD LIKE TO SEE THE CITY COUNCIL HAVE A TOWN HALL MEETING IN EAST AUSTIN.

SPONSORED BY PODER, RASA ROUNDTABLE, PERHAPS THE AUSTIN COALITION [BUZZER SOUNDS]

SO YOU CAN GET TO PEOPLE OF COLOR, SO THE PEOPLE OF COLOR CAN PARTICIPATE.

THE AVERAGE PERSON CANNOT COME TO THESE MEETINGS IN THE DAYTIME.

>> Pool: THANK YOU VERY MUCH, MR. YANEZ.

IS BRANDON PEREZ HERE, ADAM GREENFIELD?

KERRY FERCHILLE.

AND AFTER MS. FERCHILLE... THANK YOU, YOU HAVE A MINUTE.

>> UNDER THE CIRCUMSTANCES I WILL SAVE MY COMMENTS FOR A LATER DATE.

AND JUST SAY THAT I'M SPEAKING I'M A MEMBER OF THE EUC AND I WAS A MEMBER OF THE WORKING GROUP.

I'M SPEAKING IN SUPPORT OF THE PLAN AND I JUST WANT TO SAY THAT THIS STUFF IS NOT EASY.

IT REALLY DID TAKE US SEVEN MONTHS TO DO THIS AND 14 MEETINGS AND LOTS OF BACK AND FORTH OUTSIDE OF MEETINGS.

THIS DIDN'T HAPPEN BY ACCIDENT.

IT'S A REALLY GOOD PROCESS AND I THINK PEOPLE REALLY NEED TO DIG A LITTLE DEEPER THAN YOU'RE GOING TO BE ABLE TO DIG, JUST AT THIS MEETING OR MAYBE AT THE NEXT MEETING.

AND UNDERSTAND BETTER WHAT'S IN THE PLAN.

IT'S A PRETTY GOOD PRODUCT.

[11:46:45 AM]

THAT'S IT.

>> Pool: THANK YOU AND THANK YOU FOR YOUR EFFORTS BOTH ON THE EUC AND AS A STAKEHOLDER.

WE REALLY APPRECIATE THAT.

LET'S SEE, DAVID KING, YOU ARE NEXT.

IS RACHEL RANIER HERE?

AM I SAYING YOUR LAST NAME CORRECTLY?

MR. KING, YOU HAVE A MINUTE.

>> THANK YOU.

AND THANK YOU FOR YOUR SERVICE TO OUR COMMUNITY.

IT'S IMPORTANT WORK THAT YOU'RE DOING HERE.

I'M JUST GOING TO RUN THROUGH REAL QUICKLY I JUST WANT TO SAY THAT IT'S IMPORTANT THAT COUNCIL COMMIT TO 100% CARBON FREE ENERGY BY 2030 THAT. WE SET 2020 AS A FIRM RETIREMENT DATE FOR THE DECKER POWERPOINT.

AND THAT WE ADOPT A GOAL OF 75% RENEWABLE ENERGY BY 2027.

AND FOCUS ON THOSE IN OUR COMMUNITY THAT ARE STRUGGLING TO PAY THEIR UTILITY BILLS.

I THINK WE SHOULD PUT AS MUCH MONEY IN THAT BUCKET TO HELP THOSE FOLKS PAY THEIR UTILITY BILLS.

WE NEED TO MAKE THE SOLAR PROGRAM WORK FOR RENTERS AND TO MAKE IT EASY FOR SOLAR TO BE INSTALLED ON THESE RENTAL HOMES.

WE NEED THE SAVINGS TO GO TO THE RENTERS AND HOMEOWNERS WHO ARE STRUGGLING TO LIVE HERE.

AND I KNOW JUST DOWN THE STREET WE DON'T WANT TO POKE THE BEAR, BUT I THINK WE'RE GIVING THEM AN EXCELLENT RATE ON THEIR ELECTRIC USE OF THE UNIVERSITY OF OUR ELECTRICITY THAT OUR CUSTOMERS HERE, THIS IS OUR UTILITY AND IF THEY'RE NOT GOING TO WORK WITH US AND GIVE US TOOLS THAT WE NEED TO HELP WITH THE AFFORDABILITY ISSUES HERE IN AUSTIN, WE SHOULD MAKE THEM PAY THE MARKET RATE FOR THE ELECTRICITY THAT THEY USE.

THANK YOU.

[APPLAUSE].>> Pool: THANK YOU, MR. KING.

YOU WILL HAVE A MINUTE AND AFTER YOU IS ROSEANN MEISNER AND ALICIA ZUBREY.

>> MY NAME IS RACHEL.

I'M A RESIDENT OF DISTRICT 9, A UT STUDENT AND A MEMBER OF ENVIRONMENT TEXAS.

JUST SHORT AND SWEET, WITH VIRTUALLY UNLIMITED RESOURCES OF RENEWABLE ENERGY THERE'S NO EXCUSE FOR CONTINUING HARMFUL POLICIES THAT ARE RAPIDLY DETRIMENTAL TO OUR HEALTH AND OUR CLIENT.

AUSTIN NEEDS TO LEAD THE STATE TOWARDS SMART ENERGY POLICIES AS TEXAS IS ONE OF THE MOST SUSCEPTIBLE STATES TO FUTURE CLIMATE DISASTERS.

THE CITY OF AUSTIN AND ELECTRIC UTILITIES COMMISSION SHOULD COMMIT TO A VIABLE PLAN TO 100% RENEWABLE ENERGY.

I'D LIKE TO STRESS TO THE COMMITTEE THAT LOW INCOME AND MINORITY COMMUNITIES OFTEN SUFFER THE WORST FROM POLLUTION AND ENVIRONMENTAL DISASTERS.

PLEASE SUPPORT A PLAN WITH SPECIFIC LOW INCOME AND MULTI FAMILY COMPONENTS.

TRANSITIONING QUICKLY TO RENEWABLE ENERGY WILL HELP PROTECT COMMUNITIES MOST VULNERABLE TO POLLUTION AND NATURAL DISASTERS.

THANK YOU SO MUCH FOR YOUR TIME.

>> Pool: THANK YOU SO MUCH FOR BEING HERE.

IS ROSEANN MEISNER HERE?

HOW ABOUT FELICIA SHUBA, GUS PENA?

MR. MURRAY?

[11:48:30 AM]

AND AFTER THAT A MICHAEL CONTE.

>> I'LL FOREGO ALL THE NICE WORDS

>> Pool: GROUSE YOURSELF.

>> I'M BOB MURRAY, THE FORMER DIRECTOR OF SEATTLE CITY LIGHT.

I WAS A MEMBER OF THE PUBLIC POWER ASSOCIATION BOARD OF DIRECTORS.

MY SPECIALTY WAS IN BRINGING THE ENERGY EFFICIENCY RESOURCE TO BEAR ON THE PROBLEMS IN THE NORTHWEST.

I WAS AN ARCHITECT TO SOME DEGREE OF THE NORTHWEST POWER PLANNING COUNCIL AND I WOULD WANT TO TELL YOU SOMETHING THAT IS GOING TO BE SHOCKING.

AUSTIN ENERGY DOESN'T HAVE A CLUE AS TO ENERGY EFFICIENCY AND WHAT THEY CAN BRING TO THIS CITY.

IF YOU WANT A CLUE LOOK TO THE NORTHWEST.

THE NORTHWEST KNOWS THOUSAND HOWE TO DO IT.

FOR 37 YEARS THEY HAVE MADE ENERGY EFFICIENCY THE NUMBER ONE RESOURCE FOR ECONOMIC REASONS, FOR JOBS REASONS, FOR INCIDENTALLY ENVIRONMENTAL REASONS.

AND FOR RISK MANAGEMENT REASONS.

IF YOU WANT TO KNOW HOW TO DO IT RIGHT, GO TO THE PEOPLE THAT KNOW HOW TO DO IT RIGHT AND THEY'VE BEEN DOING IT FOR 37 YEARS.

[BUZZER SOUNDS]

ENERGY EFFICIENCY PROVIDES MORE THAN HALF OF ALL THE LOAD GROWTH AS THEY'VE HAD INDUSTRIAL GROWTH THEY'VE HAD IN THE REGION.

>> Pool: THANK YOU, MR. MURRAY.

APPRECIATE YOU BEING HERE TODAY.

>> I'VE LEFT YOU SOME QUESTIONS IF YOU CAN PASS THEM OUT.

QUESTIONS I SUGGEST YOU MIGHT WANT TO ENTERTAIN.

[11:50:45 AM]

>> Pool: THANK YOU.

I'LL HAND THEM OFF TO OUR STAFF MEMBER THERE.

THANK YOU.

ALL RIGHT.

IS MICHAEL CONTE HERE?

YOU HAVE A MINUTE.

I BELIEVE BOB BATLIN HAS LEFT.

WE HAVE TWO LEFT UP AFTER MR. CONTE.

WELCOME.

>> HI, THANK YOU VERY MUCH.

MY NAME IS MIKE CONTE, A RESIDENT OF DISTRICT 1 AND I'M WITH 350 AUSTIN.

I'LL KEEP IT REAL SHORT AND SWEET.

I SIGNED AGAINST THIS PLAN.

AS MS. WHITE SAID, IT SEEMS LIKE THE PURPOSE OF A PLAN LIKE THIS IS TO [INDISCERNIBLE] THAT THE PEOPLE OF THE STATE AND CITY WANT TO MOVE TOWARDS AND I THINK THAT A PLAN THAT'S LARGELY BUILT AROUND JUST MAINTAINING A STATUS QUO THAT WAS SAID A COUPLE OF YEARS AGO DOESN'T DO THAT.

TOWARDS THE END OF THE PRESENTATION I SAW THAT INCREMENTAL AND RESPONSIBLE WERE USED AS SCRIPTERS.

I DON'T THINK DESCRIPTORS.

I DON'T THINK THERE'S ANY WAY THAT YOU CAN RESPONSIBLY DEAL WITH CLIMATE CHANGE AT THIS POINT.

SO I WOULD HOPE THAT A PUBLIC HEARING HAS OPENED UP ON AUGUST 10th WITH PLENTY OF TIME FOR PEOPLE WHO DON'T HAPPEN TO HAVE MONDAYS OFF AND ARE LOW INCOME RATEPAYERS TO SPEAK.

THANK YOU VERY MUCH FOR YOUR TIME.

>> Pool: THANKS FOR BEING HERE.

LET'S SEE... KATHIE REDSON.

WELCOME.

[11:52:30 AM]

YOU HAVE A MINUTE.

AND IS SHANE JOHNSON HERE.

YOU CAN COME UP AND HAVE A SEAT.

>> MORNING.

MY NAME IS KATHIE REDSON.

THANK YOU FOR GIVING ME THIS OPPORTUNITY. I'M HERE TO TALK ABOUT JOBS.

I WORK IN THE SOLAR INDUSTRY.

I TAUGHT COURSES AT ACC.

I'VE TAUGHT IMAGINE SOLAR AT IEW.

BEEN HERE 10 YEARS.

I SPEAK ON BEHALF OF THE A LOT OF THE OTHER SOLAR INTEGRATORS IN TOWN THAT KEEPING OUR GOALS ROBUST AND AGGRESSIVE ATTRACTS GOOD TALENT TO THIS AREA IN THE SOLAR ENERGY THAT HELPS MAKE SOLAR AFFORDABLE.

WE'RE THE ONES THAT IMPLEMENT THE PROGRAMS THAT SOLAR ENERGY PROVIDES TO MAKE SOLAR AFFORDABLE.

WE CONVINCE COMMERCIAL AND RESIDENTIAL CUSTOMERS TO UNDERSTAND THE ECONOMICS OF INVESTING IN THESE TECHNOLOGIES.

AND IT'S NOT JUST A JOB, FOR ME IT'S A CAREER.

AND I WANT TO BE HERE UNTIL I RETIRE PUTTING SOLAR AROUND AUSTIN.

AND IT MEANS WORKING WITH YOU TO ADOPT THE MOST AGGRESSIVE GOALS POSSIBLE.

75% IS NOT 100%.

IT'S NOT 85%, IT'S NOT 95%, BUT IT'S 10% OF THE WORKING GROUP AND 20% MORE THAN AUSTIN ENERGY.

WHAT IS THE HARM IN BEING AGGRESSIVE.

[BUZZER SOUNDS]

BEING A LEADER, TAKING A STAND AND CONTINUING TO PUT AUSTIN ENERGY IN THE FOREFRONT OF THIS COUNTRY AS A PLACE TO WORK AND SUPPORT THE GROWTH OF SOLAR AS THE ANSWER.

[11:54:50 AM]

>> Pool: THANK YOU SO MUCH.

>> IN THE END, FREE FUEL WILL WIN.

[APPLAUSE].

>> Pool: THANK YOU SO MUCH.

LET'S SEE, MR. JOHNSON AND THEN FAYE MAXWELL AND MARK McKIM.

>> Pool: IT'S ON.

YOU CAN'T SEE IT.>> HI.

MY NAME IS SHANE JOHNSON.

I'M A RESIDENT OF YOUR DISTRICT, MS. POOL.

AND I AM WITH AUSTIN ENVIRONMENTAL JUSTICE TEAM AND AUSTIN JUSTICE COALITION.

SO I'M HERE TO BRING UP A FEW MORE UNCOMFORTABLE TOPICS TODAY.

SO ALTHOUGH THERE'S SOME DIVERSE PERSPECTIVES IN THE EUC WORKING GROUP, THE STAGGERING LACK OF DIVERSITY IN THE WORKING GROUP ITSELF WAS DISCONCERTING TO ME.

I WAS THE ONLY BLACK PERSON IN THE ROOM EACH TIME I WAS THERE FOR CITIZEN TESTIMONY.

AND MY UNDERSTANDING IS THAT AFTER THE FIRST COUPLE OF MEETINGS THERE WAS NOT A SINGLE HISPANIC PERSON IN THE ROOM.

SO THIS LACK OF REPRESENTATION REFLECTS HISTORIC DISPARITIES AND LOW INCOME FOLKS AND PEOPLE OF COLOR IN AUSTIN.

IN OUR PLANNING WE NEED GREATER ACCOUNTABILITY IN OUR LEAST REPRESENTED COMMUNITIES AND TO ACT ON THE URGENCY OF THE REALITIES THAT OUR MOST MARGINALIZED PEOPLE LIVE.

WE NEED TO RETIRE DECKER BEFORE 2021 IN ORDER TO IMPROVE AIR QUALITY IN NORTHEAST AUSTIN.

WE NEED TO EXPAND EFFICIENCY IN SOLAR GOALS THAT CAN BENEFIT LOW INCOME RESIDENTS.

[BUZZER SOUNDS]

AND GIVEN THE LACK OF HOLISTIC REPRESENTATION OF THE PEOPLE MOST IMPACTED BY AIR POLLUTION AND CLIMATE CHANGE AND AT LEAST HEARD IN THE AUSTIN ENERGY MEETING ROOMS

THERE NEEDS TO BE A FORMAL MECHANISM REQUIRING AUSTIN ENERGY TO GAIN APPROVAL FROM CITY COUNCIL BEFORE DEVIATING FROM THE RESOURCE PLAN.

>> Pool: THANK YOU SO MUCH.

APPRECIATE IT.

AND IT LOOKS LIKE FAYE MAXWELL IS OUR LAST SPEAKER TODAY.

WELCOME.

INTRODUCE YOURSELF.

YOU HAVE ONE MINUTE.

[11:56:30 AM]

>> I'M FAYE MAXWELL AND WE'RE ASKING TO BRING THE BENEFITS OF CLEAN ENERGY TO EVERYONE AND TO IMPROVING EQUITY.

AND WE'RE ASKING CITY COUNCIL TO DRAG AUSTIN ENERGY ON THESE THREE POINTS.

THE FIRST IS A SOLAR REBATE FOR AFFORDABLE HOUSING.

DEVELOPMENTS AND TO MAINTAIN THIS SOLAR POWER PROGRAM TO PAY FOR IT.

AND THAT'S BECAUSE REDUCING ONGOING EXPENSES WILL HELP KEEP AFFORDABLE HOUSING AFFORDABLE.

AND BECAUSE AFFORDABLE HOUSING DEVELOPERS DON'T MAY NOT BE ABLE TO WAIT AS LONG TO RECOUP THE COST OF THE SOLAR INSTALLATION AS MANY OTHER HOMEOWNERS.

AND WE'RE ASKING TO PRIORITIZE A BILLING SOLUTION TO DIVIDE BENEFITS FROM A SINGLE SOLAR INSTALLATION AMONG MANY UNITS ON MULTI FAMILY PROPERTIES.

AND THIS WAS PREVIOUSLY RECOMMENDED, BUT NOT IMPLEMENTED.

AND TO HAVE A PROGRAM TO ALLOW CUSTOMERS TO HOST SOLAR INSTALLATIONS ON THEIR ROOFTOPS AND TO RECEIVE PAYMENTS TO DO SO.

AND THIS IS SIMILAR TO OUR CPS ENERGY'S SOLAR HOST PROGRAM IN SAN ANTONIO.>> Pool: THANK YOU SO VERY MUCH FOR COMING.

THIS IS ALL OF THE PEOPLE WHO HAVE SIGNED UP WANTING TO SPEAK.

I WILL NOTE THAT THERE WERE FOUR PEOPLE WHO SIGNED UP, BUT DID NOT WANT TO SPEAK.

MARK McKIM WAS NEUTRAL, JOSEPH LAWS AGAINST, RICHARD FRANKLIN FOR, AND TIMOTHY O'BRIEN NEUTRAL.

THANK YOU, EVERYBODY, FOR BEING HERE TODAY.

AND TO ALL MY COLLEAGUES FOR STAYING TO HEAR FROM OUR COMMUNITY.

I REALLY APPRECIATE IT.

AND ALSO TO OUR STAFF TO THE HARD WORK IN GETTING TO THIS MEETING TODAY.

JUST TO REITERATE IN ON THURSDAY WE WILL HEAR A STAFF PRESENTATION AND THAT WILL INCLUDE ALSO FROM THE CHAIR OF THE TASK FORCE LIKE WE DID TODAY, AND THEN WE WILL HAVE A PUBLIC HEARING ON AUGUST 10th.

ALL RIGHT?

OKAY.

THANK YOU, EVERYBODY.

APPRECIATE IT.

WE ARE ADJOURNED.

AND IT IS 11:58 A.M.

[11:58:45 AM]